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Merton Council

Cabinet Agenda

Membership

Councillors:

Stephen Alambritis (Chair)
Mark Allison
Laxmi Attawar
Kelly Braund
Tobin Byers
Caroline Cooper-Marbiah
Edith Macauley MBE
Eleanor Stringer
Martin Whelton

Date: Monday 14 October 2019

Time: 7.15 pm

**Venue: Committee rooms C, D & E - Merton Civic Centre, London Road,
Morden SM4 5DX**

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All Press contacts: communications@merton.gov.uk, 020 8545 3181

Cabinet Agenda

14 October 2019

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Note on declarations of interest

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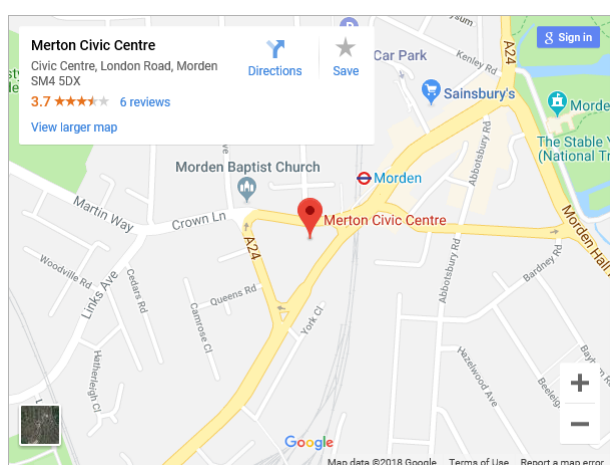
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Agenda Item 3

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EXTRAORDINARY CABINET

10 SEPTEMBER 2019

(7.15 pm - 7.41 pm)

PRESENT: Councillors Stephen Alambritis (in the Chair), Mark Allison, Laxmi Attawar, Kelly Braund, Caroline Cooper-Marbiah, Eleanor Stringer and Martin Whelton

ALSO PRESENT: Councillor Nigel Benbow, Daniel Holden and Peter Southgate

Ged Curran (Chief Executive), Hannah Doody (Director of Community and Housing), Rachael Wardell (Director, Children, Schools & Families Department), Zara Bishop (Communications Manager), Cathryn James (Interim Assistant Director, Public Protection), Roger Kershaw (Assistant Director of Resources), Octavia Lamb (Policy and Research Officer (Labour Group)), Ben Stephens (Head of Parking Services), Fiona Thomsen (Head of shared legal services) and Evereth Willis (Equalities and Community Cohesion Officer)
Louise Fleming (Senior Democratic Services Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from Councillor Edith Macauley, Cabinet Member for Voluntary Sector, Partnerships and Community Safety; and Councillor Tobin Byers, Cabinet Member for Adult Social Care, Health and the Environment.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 REFERENCE TO CABINET ON OUTCOME OF CALL IN ON STRATEGIC APPROACH TO PARKING CHARGES (Agenda Item 3)

The Chair advised the meeting that items 3 and 4 would be considered together. For the purposes of these minutes, the resolutions appear under the item to which they relate.

At the invitation of the Chair, Councillor Peter Southgate, Chair of the Overview and Scrutiny Commission, presented the reference report which set out the outcome of the meeting to consider the call in of the decision on a strategic approach to parking charges. The Commission felt that the Cabinet had not given due regard to the Public Sector Equality Duty, specifically that insufficient attempts had been made to reach particular interest groups which would potentially be affected by the new charging regime. It was noted that the Council attached high importance to equalities, the Leader having previously been the Cabinet Member responsible for Equalities; and now with a new focus with the appointment of the Cabinet Member for Women and Equalities. Councillor Southgate welcomed the contents of the

supplementary agenda which set out the steps taken to complete the consultation in response to the request of the call-in meeting and set out the three requests made by the Commission set out in paragraph 2.7 of the report, namely

- that there should be a review after 12 months after implementation of the new charges of the impact on air quality and numbers of parking permits issued;
- that the results of the diesel levy be reported to scrutiny as soon as practicable; and
- that as the approach to parking charges was one of a suite of measures, the Commission looked forward to seeing the introduction of other measures to tackle air quality.

The Commission acknowledged the importance of tackling air quality and was keen to see proposals for those additional measures in due course.

The Chair thanked Councillor Southgate for his presentation and welcomed the valuable work carried out by the Scrutiny Commission.

The Cabinet Member for Regeneration, Housing and Transport thanked Councillor Southgate for his presentation and the members of the Commission for their work. He welcomed the extensive call in, which in his view had been an example of scrutiny working at its best. He advised that since the meeting of the Commission, the Council had undertaken further consultation to address the specific points raised by the call in. He drew Cabinet's attention to the detailed officer response set out in the supplementary agenda (item 4) and the groups consulted with in paragraph 2.13 of that report. In addition, the Council had also contacted Merton Voluntary Service Council to ensure that the views of the Borough's voluntary sector were taken into account. The groups had all been written to, with a follow up phone call and offered a meeting in person if they wished. In addition, the groups had been invited to attend the extraordinary Cabinet meeting. The Cabinet Member outlined the questions asked in the additional consultation and drew the Cabinet's attention to the responses set out in the report from Merton Vision, Wimbledon Guild and Merton Age UK. It was important for Cabinet to be aware of the changes to the Blue Badge scheme since the scrutiny meeting which had increased eligibility and helped to address some of the concerns raised.

The Cabinet Member addressed the Scrutiny Commission's three recommendations and advised that the review of the Diesel Levy would be reported to Cabinet shortly. It was right for Cabinet to conduct a review after 12 months to assess the impact on air quality and the Cabinet was determined to take further action to address air quality.

The Interim Assistant Director of Public Space gave a detailed presentation on the response to the issues raised by the Commission, and thanked the scrutiny Members for the opportunity to take a further detailed look at the points they considered. She highlighted the focus on equalities throughout the extensive consultation carried out and reminded the Cabinet of the Council's obligation under the Public Sector Equality Duty, to have due regard to the need to eliminate discrimination when formulating policy. The Equality Analysis attached at Appendix 3 to the report set out the potential impact on groups with protected characteristics under the Equality Act and the proposed actions and measures to mitigate any negative impact.

The Assistant Director highlighted the further consultation which had taken place with equality groups, which had given an opportunity to test the assumptions in the equality analysis and whether there were further mitigations which could be considered. The organisations consulted with provided some useful feedback and examples were highlighted for Cabinet's consideration. They felt that the mitigations identified were both reasonable and fair, and it was felt that if the policy resulted in reduced car usage, there would be some positive benefit to the elderly and disabled as this would make the roads a less intimidating environment for these groups. The Wimbledon Guild advised that few of their members drove and that Wimbledon was already well connected to public transport links. All the groups consulted were keen to work with the Council to monitor impacts on their users. As a result of the consultation, Age had been added to the Equality Analysis as a protected characteristic, in recognition of the fact that the elderly often share characteristics with disabled groups and that social isolation and loneliness were two additional negative impacts which should be monitored. The Council would continue to work closely with the groups to better understand their concerns; and to continue to raise those concerns with TfL and Network Rail. The Leader had recently written to TfL to raise some of these issues.

The Cabinet was advised that any impact from a proposed policy should be proportionate to the legitimate aims of that policy. The strategy was viewed as being complimentary to work already being done to address the Mayor's Air Quality strategy. As a result of the additional consultation carried out following the call in meeting, the overall outcome score of the Equality Analysis had been changed from a 2 to 3, in recognition of the negative impact of social isolation and loneliness identified. If the Cabinet was minded to reconfirm its original decision, the Equality Analysis would be kept under review with a report being brought back in 12 months and adjustments would be brought for Members' consideration as and when appropriate. A further report would be presented to Scrutiny later in the year on the review of the Diesel Levy and the Council would continue to introduce measures to tackle air quality. The Air Quality Action Plan 2016 highlighted 70 of the actions already underway and would continue to be pursued.

The report addressed the issue highlighted at the Commission in respect of using the PTAL rating system as an approach to the parking charges, which was felt by some to be discriminatory. The Assistant Director advised that the PTAL rating was a guide; and that the alternative was to apply a flat rate across the Borough, which would not take into account differentials in transport accessibility. The policy had been subject to extensive consultation and advice received was that it was an appropriate lever to nudge behaviour to address air quality.

At the invitation of the Chair, the Council's Equalities and Community Cohesion Officer advised that the purpose of the Equality Analysis was to support the Cabinet in making a decision. An extensive consultation had been carried out, with proactive further consultation being carried out following the call in meeting. This had been an example of best practice, with officers actively engaging and conducting outreach work. The data received had been carefully analysed, resulting in an amended outcome score of 3 to recognise that it was not possible to mitigate against every

negative impact. In response to questions from Members, officers advised that all the issues raised by the call in meeting had been addressed, as set out in the report and that officers would continue to raise concerns over accessible transport with TfL.

The Chair thanked all those present for their contributions and read out the recommendations and it was

RESOLVED

1. That Cabinet noted that further to hearing two call-in requests on the strategic approach to parking charges, the Overview and Scrutiny Commission resolved to refer the decision back to Cabinet for reconsideration in relation to the principle of decision making in respect of human rights and equalities; and agreed the request of the Commission to complete the process of consultation with affected groups prior to reconsideration of its decision.
2. That Cabinet agreed to take into account the three requests made in relation to the proposed approach to parking charges and associated issues set out in paragraph 2.7 of the Cabinet report.

4 RESPONSE TO THE REFERENCE TO CABINET ON OUTCOME OF CALL IN ON STRATEGIC APPROACH TO PARKING CHARGES (Agenda Item 4)

Following detailed consideration of the reference report and the officer response, as set out in the minute above, the Chair read out the recommendations in the report and it was

RESOLVED

1. That Cabinet note the additional information, consultation responses as well as the amended Equality Analysis and action plan following the call in and contained in the Cabinet report.
2. That Cabinet reconfirm its support for the proposed parking charges.

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CABINET

19 SEPTEMBER 2019

(7.15 pm - 7.53 pm)

PRESENT: Councillors Stephen Alambritis (in the Chair), Mark Allison, Laxmi Attawar, Kelly Braund, Tobin Byers, Caroline Cooper-Marbiah, Edith Macauley MBE, Eleanor Stringer and Martin Whelton

ALSO PRESENT: Councillor Nick McLean (Leader of the Conservative Group) and Najeeb Latif

Ged Curran (Chief Executive), Hannah Doody (Director of Community and Housing), Caroline Holland (Director of Corporate Services), Chris Lee (Director of Environment and Regeneration), Rachael Wardell (Director, Children, Schools & Families Department), Fiona Thomsen (Head of shared legal services), Zara Bishop (Communications Manager) and Octavia Lamb (Policy and Research Officer (Labour Group))
Louise Fleming (Senior Democratic Services Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for lateness were received from the Cabinet Member for Regeneration, Housing and Transport.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 15 July 2019 are agreed as an accurate record.

The Chair advised that the order of the agenda would be altered to take Item 5 first, to allow the Cabinet Member for Regeneration, Housing and Transport to present his item when he arrived. For ease of reference, the minutes are listed below as they appear in the agenda.

4 6 WEEKS CONSULTATION ON A DRAFT SOUTH LONDON WASTE PLAN (Agenda Item 4)

The Cabinet Member for Regeneration, Housing and Transport presented the report which set out proposals for a consultation on the next South London Waste Plan. The Waste Plan would form part of the Merton Local Development Scheme, which had been agreed at the Council meeting the previous night. He clarified that the

report did not relate to waste collection, but a supplementary planning document for waste management sites in the area covered by the plan.

The Cabinet Member advised that one of the sites being recommended to cease operation as a waste management site was Benedict Wharf in Mitcham. This was to be welcomed as the site had the potential for housing provision of over 600 new homes, and it was hoped that Mayor of London approve the re-designation of the site.

The Cabinet Member thanked the work of the Borough Plan Advisory Committee for scrutinising the document and it was noted that the Committee was content with the document. The consultation period set out in the report reflected that the document had to be approved by each of the participating borough's executive bodies. It was noted that the Council was on target for having zero biodegradable and recyclable waste going to landfill, with only a very small amount of non-recyclable waste being sent. It was also noted that the following week would be the national Recycling Week for 2019 and the South London Waste Partnership would be publishing a video on recycling across its communications channels showing how waste and recycling is managed.

RESOLVED

1. That the six week consultation on the draft South London Waste Plan, to run for six weeks between October and December 2019, be approved.
2. That approval for the final consultation documents be delegated to the Director of Environment and Regeneration in consultation with the Cabinet Member for Regeneration, Environment and Housing.

5 PREPARING THE COUNCIL FOR THE UK'S EXIT FROM THE EUROPEAN UNION (Agenda Item 5)

The Deputy Leader and Cabinet Member for Finance presented the report which had also been considered at the Council meeting on 18 September. He took the opportunity to thank all those involved for their work on identifying and mitigating the potential impact on residents and businesses and welcomed the opportunity for Cabinet to ask more questions of officers than in the formal Council meeting setting.

The Cabinet Member outlined some of the actions which had been taken to build resilience, for example the funding of a post at the Merton Citizens Advice Bureau to provide advice and assistance for residents, particularly those from the EU to apply for settled status. The Cabinet had concerns over the relatively small number of applications for settled status being approved, both locally and nationally, and it was recognised that some residents would find it more difficult to produce the paperwork required to demonstrate their status. He welcomed Merton's two Members of Parliament voting to publish the Government's Operation Yellow Hammer report setting out the risks of leaving the EU with no deal, and highlighted the risk to the supply of fresh food and medicines. The Council had been using its experience in emergency planning in Merton to prepare for a no deal exit from the EU.

The Director of Corporate Services and Merton's Lead Officer on Brexit, advised that a meeting had taken place that week for London representatives, including some Chief Executives, to discuss preparations for the 31 October deadline, the risks and the mitigations in place. Further work would be required on unintended consequences and the Cabinet report would not include everything as new risks were emerging as time went on. Approximately 8000 residents had been identified as requiring settled status and support would be provided to those residents, particularly to ensure vulnerable adults and care leavers achieve settled status. The Director gave an overview of other work being carried out, including work being led on by the Ministry of Housing, Communities and Local Government and working with the Council's major contractors to identify those with EU staff and supply chains and ensuring business continuity plans were updated.

Cabinet Members welcomed the work which had been undertaken, including the proactive work across London boroughs and its partners; and asked a number of questions and the officers advised as follows:

- It was not currently known how many referrals had been made to the Citizens Advice Bureau, however the adviser had been in post since July and the Council was in the process of collecting the data to report back to Members in due course.
- The Council would be seeking settled status on behalf of those looked after children for whom it had parental responsibility. For those looked after children under S20 of the Children Act, the parents would be responsible for applying for settled status.
- It was not currently possible to compare the Council's progress to other London boroughs as the situation was a new one and developing at a pace, however data was being passed to the MHCLG and it would eventually be possible to have a London-wide picture.
- The biggest impact on Adult Social Care would be on staffing and a London-wide survey had been launched to get an overall picture, and this data would be fed back to the MCHLG. There had been early engagement with care home providers to understand their challenges and officers had been working closely with NHS, sharing data on beds and care home places. The Council was working with leads in the sector to make a case for reducing the salary cap of £30,000 as many care home workers earned less than this figure.
- There was a concern over a shortage of labour in the result of a no deal Brexit and raise in construction costs, as this could impact on the regeneration of Morden Town Centre and other schemes in the Borough. The Council would need to consider the impacts and keep under close review. There would also be an impact on larger schemes beyond the Council's control such as Crossrail2.
- The Council's HR department was providing support and advice to affected staff from the EU, who had been identified through the staff survey. There was a concern across London that emergency planning function works on the basis that London councils will provide assistance to their neighbours in a time of crisis. The risk is that if every borough is in the same situation, there will not be the same capacity and resources available to deal with the impacts, and this was

the case for some of the Council's partners who had also experienced cuts to resources in recent years.

The Chair echoed the concerns raised by the Cabinet over a potential no deal Brexit and thanked the officers for their impressive work and all the contributions from Cabinet members. He welcomed both the service being offered to staff and residents at the Citizens Advice Bureau and the features in MyMerton to advise residents.

RESOLVED

1. That the possible impact on the council, residents and businesses of the United Kingdom's departure from the European Union and the work that the council and its partners is doing to prepare for potential scenarios post departure be noted.

6 FINANCIAL MONITORING JUNE 2019 (Agenda Item 6)

The Deputy Leader and Cabinet Member for Finance presented both items 6 and 7 together. For ease of reference the resolutions are set out under the item to which they relate.

The Cabinet Member thanked all who contributed to the reports and to the financial management of the Council. It was important to monitor the financial position on a month by month basis, to ensure the Council was close to budget to avoid having to make further cuts to services in response to the Government's austerity cuts in funding. Although relatively early in the financial year, the Council was currently very close to, within £0.2m of, budget. However, services had lost funding to such an extent that it was now making it very difficult to provide those services. It was important to consider the constraints on services as a result of the government's cuts, and this would be monitored closely as significant further savings would be required in future years.

The Chair expressed concern that the Government's cancellation of the business rate retention scheme would potentially cost the Council approximately £1.5m.

The Director of Corporate Services drew Members attention to the month 3 report which had been reported to the Financial Monitoring Task Group, with some updates on income and savings. The month 4 report included some adjustments for Cabinet's consideration and a scheme was included which required Council approval, to carry out safety works on the Wimbledon Park lake. The deficit in the Dedicated School Grant had increased to £1.2m in-year and officers were working with the Director of Children, Schools and Families to mitigate the impact and lobby the Department for Education for increased funding.

RESOLVED

1. That the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £0.708 million, 0.13% of gross budget, be noted.

2. That the contents of Section 4 of the report be noted.

7 FINANCIAL MONITORING JULY 2019 (Agenda Item 7)

RESOLVED

A. That financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £0.2 million, 0.04% of gross budget be noted.

B. That the contents of Section 4 of the report be noted and the amendments below be approved:

Scheme	Budget 2019/20	Budget 2020/21	Narrative
Corporate Services			
Revenues and Benefits	(400,000)	400,000	Re-profile from 2019/20 to 2020/21
Planning and Public Protection	(199,950)	199,950	Re-profile from 2019/20 to 2020/21
Housing Company	(20,000,000)	20,000,000	Re-profiling of Housing Company projected spend
Customer Contact	(1,200,000)	1,200,000	Re-profiling in accordance with projected spend
Children, Schools and Families			
Perseid Capital Maintenance	(177,000)		Virement to cover projected higher cost of scheme
Further unallocated SEN budget	(188,020)	188,020	Re-profiled in accordance with spend
Environment and Regeneration			
Haydons Road Shop Front Improvement	224,000		Neighbourhood CIL funded scheme
Mitcham Town Centre	(430,620)	425,000	£425k re-profiled to 19-20, £5.6k LIP Funding Relinquished
Sports facilities – Wimbledon Park	(1,393,160)		Money being vired to cover

Lake de-silting			priority scheme on the lake
Sports facilities – Wimbledon Park Lake reservoir safety*	1,393,160		Money required to cover statutory obligations
Total	(22,371,590)	22,412,970	

*The Wimbledon Park Lake Reservoir Safety scheme will require Council Approval

C. That £170,860 from the Outstanding Council Programme Board (OCPB) Reserve be approved for further integration work between the Council's CRM system and the Council's street cleansing and waste collection provider's system (ECHO).

Committee: Cabinet

Date: 14 October 2019

Wards: All

Subject: Reference from the Sustainable Communities Overview and Scrutiny Panel – Waste, recycling and street cleaning

Lead officer: Julia Regan, Head of Democracy Services

Lead member: Councillor Natasha Irons, Chair of the Sustainable Communities Overview and Scrutiny Panel

Contact officer: Rosie Mckeever, Scrutiny Officer, 0208 545 3864

Recommendations:

1. The Sustainable Communities Overview and Scrutiny Panel recommends that Cabinet take into account its reference set out in paragraphs 2.7 to 2.18 below when making decisions on the waste, recycling and street cleaning contract.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. At its meeting on 3 September 2019 the Sustainable Communities Overview and Scrutiny Panel received a performance update on the Waste, Recycling and Street Cleaning service. The Panel was asked to discuss and comment on the report and agree any reference it wished to make back to Cabinet.
- 1.2. The Panel agreed to make a reference to Cabinet, as set out in paragraphs 2.7 to 2.18 below.

2 DETAILS

2.1. Scrutiny process

- 2.2. The Panel received a detailed report setting out the background information, proposed charges and the equality impact assessment.
- 2.3. The Panel heard representations from Merton resident associations and local MP's. The residents remarked that the standards of street cleanliness have declined and the reporting system isn't fit for purpose.
- 2.4. Panel Members asked questions and sought responses to concerns raised. Responses were provided by the Director of Environment and Regeneration and the General Manager for Veolia, Scott Edgell.
- 2.5. Full details of points made in the discussion will be published in the minutes of the meeting.

2.6. Scrutiny response

- 2.7. Panel RESOLVED (eight votes for, none against) to make the following reference to Cabinet:
- 2.8. The Sustainable Communities Overview and Scrutiny Panel welcomes this opportunity to comment on the waste, recycling and street cleaning service and to raise issues for consideration by Cabinet.

- 2.9. The Panel recommended that Merton's large estates receive a review on how the new collection service is working if required due to under performance in service delivery or when requested by local ward members. In such cases an action plan shall be prepared that includes a review of the service delivered with recommended improvements, timelines for improvement implementation, resident engagement and a communication plan to support any service modifications.
- 2.10. The Panel recommended that HMO's and flats above shops receive a review on how the new collection service is working if required due to under performance in service delivery or when requested by local ward members. In such cases an action plan shall be prepared that includes a review of the service delivered with recommended improvements, timelines for improvement implementation, resident engagement and a communication plan to support any service modifications.
- 2.11. The Panel would welcome the opportunity to feed into the upcoming estate modelling work between Clarion and Officers on how the estates can be improved. The panel requests that one Panel Member be invited to the future Clarion meetings to input and feedback on this work. Additionally, the Panel would encourage Veolia to formally comment on the designs and challenges they have, possible mitigations and writing back to the committee with an update.
- 2.12. The Panel requested that they receive an outline of what the planned web reporting improvements are. The Panel requests that this report encompasses all user journeys and considers a single point of access for reporting all public space issues irrespective of which contractor is responsible.
- 2.13. The Panel recommends to Cabinet that the Council should consider developing an "always on" approach to communication. Providing clear and understandable information to all our residents which focuses on why we should recycle, how to use the bins/coloured bags, collection days, examples of street grading and how to report issues. This information could be included as a Council Tax insert, My Merton article, promotion through the council's social media channels and a New Resident webpage on the council's website.
- 2.14. The Panel recommended that Cabinet investigate the option of a ward by ward deep clean to get the Borough back to an acceptable base line.
- 2.15. The Panel requested that Cabinet receive evidence of the Improvement Plan currently being prepared by Veolia for the end of September. The Panel also request that Cabinet consider sharing the plan with the Sustainable Communities Panel for further scrutiny input.
- 2.16. The Panel recommend that Veolia publish their rotas and schedules online in order to promote both transparency and the capacity to hold them to account.
- 2.17. The Panel also requested that Veolia return to the Sustainable Communities Panel in six months in order to carry out a review of the progress achieved.

3 ALTERNATIVE OPTIONS

- 3.1. None – Cabinet is required under the council’s constitution to receive, consider and respond to references from overview and scrutiny.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Invitations to provide submissions to the Panel were sent to a wide range of residents’ associations and local community organisations.

5 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1. None for the purpose of this report.

6 LEGAL AND STATUTORY IMPLICATIONS

- 6.1. Cabinet is required under the council’s constitution to receive, consider and respond to references from overview and scrutiny. The Local Government and Public Involvement in Health Act 2007 requires Cabinet to respond to reports and recommendations made by scrutiny committees within two months of written notice being given.

7 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 7.1. There are no human rights, equalities and community cohesion implications as a result of this report.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1. There are no crime and disorder implications as a result of this report.

9 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 9.1. There are no risk management and health and safety implications as a result of this report.

10 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

None

11 BACKGROUND PAPERS

None

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Committee: Cabinet

Date: 14th October 2019

Wards: All

Subject: Community Services Market Engagement

Lead officers: Hannah Doody, Director of Community & Housing

Racheal Wardell, Director of Children School and Families.

Lead members: Cllr Tobin Byers, Cabinet Member for Adult Social Care, Health and the Environment

Cllr Kelly Braund, Cabinet Member for Children's Services

Contact officer: Richard Ellis, Head of Strategy & Partnerships, Community & Housing

Recommendations:

1. Cabinet is asked to approve the commencement of a market engagement exercise in November for integrated community health and care services.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report seeks approval to commence an engagement exercise with potential providers of community health and care services. The exercise will be joint with the Merton & Wandsworth Clinical Commissioning Group (CCG). The CCG will be the lead commissioner for the project.
- 1.2. The current contract for community services, which is jointly commissioned by the Council and the CCG, expires at the end of March 2021 and needs to be re-commissioned. The contract is currently held by Central London Community Healthcare NHS Trust (CLCH).
- 1.3. The Council has been working collaboratively with Merton CCG to explore the opportunity of commissioning integrated community services for Merton in April 2021. This is an opportunity for Merton to be ambitious and to provide a viable community based option shifting the focus towards preventative personalised approach. The market engagement will be with health and care providers, but also the local voluntary sector who are key to the future delivery models.
- 1.4. The Council and the CCG wants to use the market engagement phase to explore the potential to extend the scope of the existing contract to support the further integration of health, social care and voluntary sector services. Therefore more areas of children's and adults social care has been included for discussion with providers. A proposal on the final scope of the contract will be presented once the engagement phase is complete.
- 1.5. The market engagement exercise will commence on the 12th November and run for four weeks. It will commence with a large event to which all potential providers will be invited. A series of smaller more focused meetings and

conversations will take place. These will be identified at the initial event to ensure that they are inclusive.

- 1.6. This engagement exercise will be informed by the collation of existing customer/patient insights and consultations. Focussed work will then be undertaken where it is felt there are gaps in current community engagement or intelligence.
- 1.7. The procurement phase is expected to commence in early 2020, with contract award towards the end of the same year. The timeline is tight given the level of ambition. This is an aspect of the proposal that will be tested during the market engagement phase. Work is underway to develop an alternative plan in the event that the timeline is not deliverable, which might involve extending some contracts to give more time and separating out those that cannot be extended.
- 1.8. Any decision on procurement would be subject to a separate Cabinet decision.

2 DETAILS

- 2.1. The Council and health partners hold a shared vision of a more locally focused, person-centred model of care rooted in prevention, health improvement, self-care and earlier interventions for the residents of Merton. Our ambition is to deliver better outcomes by integrating health, social care and community services and challenging those providers to work together and to innovate to meet people's needs holistically.
- 2.2. The natural expiry dates of several community based contracts in April 2021 provide an opportunity for significant commissioning and transformation towards this vision for Merton.
- 2.3. Strengthening community services with enhanced prevention and bringing care closer to home has been a long-standing policy ambition across health and social care. Closer working between local government and the NHS has always made sense; health and wellbeing are closely intertwined, and local government has significant influence on many of the wider determinants of health and wellbeing, such as housing, transport, education, leisure and the built environment. Health and care providers will therefore be encouraged to partner with the voluntary sector.
- 2.4. The Care Act 2014 created a new legal framework for adult social care services. It encourages the collaboration and integration with other public services, such as the NHS and housing, so that services are organised around people's needs.
- 2.5. The Children and Families Act 2014 also aims to ensure children, young people and parents understand a joined-up system, designed around their needs. The reforms aim to join up help across education, health and care, from birth to age 25. Help will be offered at the earliest possible point, with children and young people with SEND and their parents fully involved in decisions about their support and what they want to achieve. This will help lead to better outcomes and more efficient ways of working.

- 2.6. The NHS Long Term Plan reinforced the need for NHS services to change to meet the future needs of the population, arguing for a greater emphasis on prevention, integration and putting patients and communities in control of their health. It particularly calls for the traditional divide between primary care and community services to be dissolved enabling placed based personalised care to become the norm. Tackling inequalities is one of the overarching purposes of integration laid out in the plan.
- 2.7. Commissioners wish to co-produce with service users and providers to capitalise on their expertise and experience, as the outputs from the engagement will be vital in informing next steps and process.
- 2.8. Around £10m of ASC resources is now funded from various iterations of the Better Care Fund and allied grants (eg Winter Grant), with an emphasis on reducing delayed transfers of care (DToC). Merton has been successful in moving to top quartile performance on DToCs. In the Spending Review it appears that BCF has been rolled forward into 2020/21 on current terms for one year (subject to confirmation). However, it is expected that future iterations will be more closely linked to progress on integration.
- 2.9. Healthy Child services are funded through the public health grant and have shown continual improvement in five mandated health development checks, from the baseline position when commissioning responsibility for the service transferred to the local authority and was re-commissioned in 2016 as part of the current community services contract (1.2). Other children's community services provided by CLCH are funded by CSF, including Educational Occupational Therapy, also as part of the current community contract.

Integration

- 2.10. There are two aspects of integration: the integration of operational teams and services across health, social care and the voluntary sector; and joint commissioning of those services by CCGs and councils.
- 2.11. The Council has a long history of integrated teams, including integrated adult mental health and learning disability services. Older people's health and care teams have been co-located in the civic centre since 2018 and are increasingly operating together. Children Schools and Families (CSF), and Public Health, have jointly commissioned some services since 2016 and have a joint commissioning team, with integrated work plan.
- 2.12. The vision of integrated care is dependent on multiple organisations working in successful partnership so the spirit of collaboration is to be promoted over competition. The ethos of collaboration is also extended into commissioning; with providers and commissioners working together to co-design the specification and delivery model.
- 2.13. This paper is concerned with moving forward on joint commissioning by exploring a wider scope for the re-commissioned community health contract. The provider will need to work closely with the Council's directly provided professional teams and the voluntary sector. It is also envisaged that successful delivery of the vision will not be possible without developing integration with GP Practices within the Primary Care Network configuration. The role of General Practice is therefore fundamental and this is reflected in the design principles.

Continuing current joint commissioning arrangements

- 2.14. The current single provider contract, which expires March 2021, includes c£4m of Public Health and CSF services in its remit that are delivered by CLCH alongside other community health services. The council commissioned services include:
- (i) 0-19 Health Visiting
 - (ii) 0-19 Nursing Service
 - (iii) Family Nurse Partnership
 - (iv) Child Healthy Weight Service
 - (v) Safeguarding Service (health)
 - (vi) Educational Occupational therapy
- 2.15. As these services are delivered in an integrated way alongside other community health services and by the same provider it is felt advantageous to continue to jointly commission these services with the CCG. Services are also co-located in Merton Children's Centres and contribute to the financial sustainability of Children's Centres. Commissioning jointly with the CCG provides opportunities for efficiencies through service transformation and economies of scale, which supports savings identified in the Medium Term Financial Strategy.

Opportunities to expand joint commissioning

- 2.16. There are other services that work alongside the main community health contract where there are potential opportunities and make logistical sense to be commissioned jointly with the core community health contract. Through the provider engagement phase, we will explore what it would mean to include these additional services within the single contract.
- 2.17. The services identified with good synergy to the core contract are:
- (i) Carers Support services
 - (ii) Social Work support to continuing health care
 - (iii) Community Equipment
 - (iv) ASC integrated mental health team and placements
 - (v) Drug and Alcohol services
 - (vi) Other prevention services e.g. One You Merton, NHS Health Checks and befriending services.
 - (vii) Dementia Hub.

Carers Support Service

- 2.18. The Council commissions a carers support service from the voluntary sector, however responsibility to support carers is shared by all commissioners and providers of health and social care. The council can continue to commission this service separately. However, given the importance of carers to the

whole system there is a logic to ensuring that carers support and the carers voice is at the heart of a consortia or provider alliance. The inclusion of the core support contract will support that ambition.

Social Work support to continuing health care (CHC)

- 2.19. This is currently provided by ASC but is funded by the Better Care Fund (BCF). The assessment work for CHC will be part of the contract so there is a logic to its inclusion. There is an expectation that in future BCF funding, or whatever replaces it, will be tightly linked to integrated services, so its inclusion would protect the investment.

Community Equipment

- 2.20. Community equipment is currently jointly commissioned by the Council and the CCG, but separately from the community services provider. It is provided by Croydon Council. The community health provider, however, is the largest prescriber of community equipment and therefore there is logic to them taking responsibility for the contract and for controlling costs. As above £433k of the funding comes from the Better Care Fund and its inclusion may provide some protection for the investment in the future.

ASC integrated mental health team and placements

- 2.21. The Council has integrated adult mental health services with South West London & St Georges Mental Health NHS Trust (SWLSTG) from whom the CCG commission core adult mental health services. As the CCG is currently including these services in the scope, it makes sense to align our integrated teams. The mental health trust would be a key player in a Provider Alliance and this would support better integration between physical and mental health services.

Drug and Alcohol services

- 2.22. Drug and alcohol services are commissioned by Public Health from Westminster Drug Project (WDP). This separate arrangement may continue, but as there a close relationship between drug and alcohol misuse and mental ill-health, there is merit in including it in the scope alongside adult mental health services.
- 2.23. The CCG is also looking to expand the range of children's services included in the contract, potentially including community paediatric services and local level CAMHS.

Other prevention services

- 2.24. Public Health commission a range of preventative services such as One You Merton, health checks and befriending services that cut across health, public health and care services. It makes sense for these to be part of the coordinated community response.

Dementia Hub

- 2.25. Public Health currently commission the Dementia Hub as a standalone service. However, it is an important piece of the community services offer and should be placed as such within the contract. There is an expectation that the voluntary sector will be part of the delivery of the contract.

2.25.1 There are also a cohort of services that we want to explore with potential providers that for various reasons may be more complex to include in the scope for an April 2021 contract start date. However, we do not want to exclude them from scope at such an early stage.

- (i) Community transport
- (ii) Social Care Occupational Therapy
- (iii) BCF funded domiciliary care
- (iv) Services for vulnerable CYP

Community transport

2.26. The Council and the CCG separately commission community transport to convey people to services. There is a case for aligning these arrangements to ensure efficient use of assets and to reduce the number of different services a person might have to access to go about their daily lives. An alignment and aggregation of services may also promote investment in the use of electric vehicles.

2.27. The Council is conducting a review of its transport arrangement for children, young people and adults. This will further consider the potential synergies with health. The outcome of that review and the timing of its implementation are not yet clear, so it may not be suited to inclusion in the contracting round. It is included for discussion as other opportunities may arise.

Social Care Occupational Therapy

2.28. ASC and the community health provider, CLCH, both operate Occupational Therapy teams. At present these are separate teams. The Council directly provides its OT team, has been successful in recruitment and retention of staff. Health has had more difficulties in recruitment and therefore there is a desire to explore whether a joined up team could provide service and recruitment benefits.

BCF funded domiciliary care

2.29. Around 44% of adult domiciliary care is funded from the Better Care Fund. For the reasons stated above, there is a defensive case for inclusion in community services arrangements. However, there are also significant workforce issues with agencies struggling to recruit and retain staff. There is a case for considering a new approach to provision with the community health provider, with the potential of a mixed economy where some care is either directly provided or provided by a joint venture. This could open up more attractive career pathways whereby time spent working in domiciliary care helps a young person pursue a professional development path in health and care.

2.30. This is a complex area of opportunity that might not lend itself to the procurement timeline, but it is included for its own sake but also to

demonstrate the sorts of different thinking that commissioners would like to see from an integrated system.

Services for vulnerable CYP

- 2.31. Young Carers - CSF currently commissions a young carer service from a voluntary sector provider, to deliver a programme of assessment and support to meet the specific needs of young carers aged 5 to 18 years and their families in Merton. Alongside exploring what a young carer is doing, there is a responsibility on the local authority to take into account the impact that their caring duties are having on their physical and mental health and their education. Aligning this work and delivering this service in a more integrated way could therefore significantly benefit outcomes for this vulnerable group.
- 2.32. Young People Risk and Resilience Service – CSF are currently tendering for a CVS provider to deliver:
- Specialist and targeted substance misuse treatment and prevention
 - Missing from Home or Care return home interviews
 - Support and advice for Young People at Risk of or Experiencing Exploitation
 - Targeted Detached Youth Interventions
 - Training and support for multi-agency professionals contributing to prevention of Substance misuse, Missing and Exploitation as well as the broader promotion of sexual health
- 2.33. The current provider already works in a multi-agency context and this could be even further strengthened by aligning this work with physical and mental health provision.
- 2.34. Support for Disabled Children – CSF currently funds a number of services to support disabled children, including the provision of short breaks and independent travel training, commissioned from the CVS. These areas of support are currently part of a review and pending outcome of this, there would be synergy in further aligning these services with wider health provision, as many of these children have specific health needs that have to be met during, for example, a short break.

3 MARKET ENGAGEMENT

- 3.1. Market engagement is an important phase prior to finalising what the process might be to establishing the new contractual arrangement and ensuring that the expectations are realistic and sustainable.
- 3.2. Through promotion of a more holistic model commissioners hope to promote partnerships which help to break down the current barriers between services resulting in a streamlined approach for users of health and social care in Merton. The market engagement exercise will therefore be open to health, care and voluntary sector providers who have an interest in working in Merton.
- 3.3. Market engagement will deliver the following outcomes:
- (i) Providers have confidence and interest to bid

- (ii) Commissioners have confidence in the vision, outcomes and design principles
 - (iii) Commissioners have confidence in the models of delivery being developed (service, commercial and contractual)
 - (iv) Commissioners are aware of key issues, barriers and risks
 - (v) Commissioners have evidenced based awareness of level of interest.
- 3.4. Key tasks to be delivered in the market engagement phase include:
- (i) Formal notices published for engagement
 - (ii) Online surveys and information sharing
 - (iii) Focused workshop event (scheduled for the first week of engagement with the opportunity to set up smaller focused sessions as appropriate)
 - (iv) Attendance and agenda items at existing provider forums and networks in the borough.
- 3.5. Alongside the market engagement exercise, we will renew and refresh our insights on customer and community groups' experiences. This will encompass:
- (i) Testing the communications and engagement plan with the CCGs Patient Engagement Group
 - (ii) Desktop research to uncover existing insights about community services from partner and voluntary and community group intelligence and map gaps in engagement against the services in scope
 - (iii) Targeted engagement work – speaking to people we have no existing insights from to fill gaps in knowledge
 - (iv) Outreach engagement work – meeting with wider voluntary and community groups to brief them about the project and to test existing insight against current experience
- 3.6. In the future stages of the programme we involve local people in selecting a new provider for community services and supporting the new provider to engage effectively to develop a new model for community services

4 ALTERNATIVE OPTIONS

- 4.1. One option is not to jointly commission any of these services with the CCG and to seek to commission them separately. In the case of those services currently jointly commissioned, this would potentially be detrimental to service delivery and efficiency. They are jointly commissioned because of the cross-over with other services delivered by the provider, including shared staffing. Separated services are therefore likely to be more expensive. Service users are more likely to receive disjointed services if a different provider was selected.
- 4.2. The Council could continue to just jointly commission those services in the current contract. This would not meet the national expectations of closer integration across commissioning and operational services, and might

present significant risks to future funding if integration is a condition of that funding.

- 4.3. At this stage, all that is being proposed is that the potential for a wider scope of jointly commissioned services is explored with potential providers. That will flesh out the benefits and problems with each proposal.

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. This report seeks to commence an engagement exercise with potential providers. It builds on the consultation and engagement work varied out in the development of the Health and Wellbeing Strategy. Focussed engagement will be carried out where research shows gaps in current insights.

6 TIMETABLE

- 6.1. It is proposed that the provider engagement will take place in November. It will kick off with a large event with an open invitation. Further smaller focussed events will then be planned based on the feedback from that event.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. No commitment is implied by commencing a market engagement phase. A further report will be presented on its conclusion setting out the scope, process and financial implications of the procurement exercise.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. The provider engagement phase is intended as a market warming exercise in advance of a formal procurement process appropriate for the scale of the contract. It will be advertised openly through the NHS procurement portal.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. Core aims of the community services contract are the improvement of health and wellbeing, and the reduction in health inequalities. These are measured through a range of metrics.

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. none

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. There are a number of risks in seeking to aggregate contracts. Smaller providers may challenge their ability to access the process. In the case of much of the potential specification, only large scale health providers would be able to bid for this work as a track record in clinical services and a proven ability to work at scale would be required. The risk is mitigated in part by the provision for a bid from a consortia. Such a consortia would almost certainly include the voluntary sector, but could also incorporate smaller providers. It would be a matter for each bidding consortia to determine their make-up.
- 11.2. There are significant risks around the willingness and ability of the market to respond to an enhanced specification and to the timeline as planned. The provider engagement process is designed to test out the specification and timing issues. The timing can be adjusted, but this would require the extension of a number of current contracts.

- 12 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**
- 13 BACKGROUND PAPERS**
- 13.1. none

Committee: Cabinet

Date: 14th October 2019

Wards: All

Subject: Consultation on Statement of Community Involvement (SCI)

Lead officer: Chris Lee, Director for Environment and Regeneration

Lead member: Councillor Martin Whelton, Cabinet Member for Regeneration, Environment and Housing;

Contact officer, Ann Maria Clarke, Strategic Planner, Future Merton

Recommendations:

That, following recommendations from the Borough Plan Advisory Panel (BPAC) on 12th September 2019,

- A. That, following the recommendations of the Borough Plan Advisory Committee on 12th September 2019, Cabinet resolve to agree BPAC's recommendation to revise Merton's Statement of Community Involvement 2006.
 - B. Cabinet approve a six week consultation on the new Statement of Community Involvement, to run for six weeks in winter 2019/20.
 - C. That approval for the final consultation documents be delegated to the Director of Environment and Regeneration in consultation with the Cabinet Member for Regeneration, Environment and Housing.
-

1. Purpose of report and executive summary

- 1.1 Merton's Statement of Community Involvement (SCI) sets out how the Council will involve local people, local businesses, stakeholders and other interested parties when preparing development planning documents and submitted planning applications. SCI's are a legal requirement and form part of the evidence based documents that supports Local Plans.
- 1.2 In addition, the draft SCI also outlines some engagement principles for developers, who may need to consult with Merton residents regard their development proposals.
- 1.3 Merton's SCI was last revised in 2006. This report recommends a public consultation on a new draft of Merton's SCI.

BPAC recommendations

- 1.4 On the 12th September 2019, Merton's Borough Plan Advisory Committee resolved to recommend that Cabinet support a six week public consultation on Merton's draft Statement of Community Involvement (SCI) for a six week public consultation in winter 2019/20, subject to the following amendments
- That the final consultation document should be circulated to the chair of the Borough Plan Advisory Committee prior to consultation
 - Add reference within the draft SCI that developers' websites (for example, websites set up for pre-application consultation) are expected to be fully accessible to people with disabilities.
 - That appropriate reference should be made to the General Data Protection Regulations and compliance with them.

2. Details

- 2.1 In 2006 Merton Council adopted its Statement of Community Involvement (SCI). However, since its adoption there have been a number of changes to planning legislation, planning guidance and technological advances such as social media, which have changed the way public consultations and engagement takes place and are carried out. All this means Merton's SCI (2006) requires updating to have regard to these changes.
- 2.2 In accordance with planning legislation, the draft SCI outlines:
- How and when the Council will involve local communities, businesses, voluntary sector and other interested parties in the production of development planning documents for example Local Plans and Supplementary Planning Documents (SPDs) and on submitted planning applications;
 - The planning process;
 - The constraints imposed by regulations and planning policies (national and regional);
 - How the Council will provide feedback to comments made during consultations;
 - The consultation methods to be used.

3. Alternative options

- 3.1 Officers consider that there are no reasonable alternatives to updating Merton's Statement of Community Involvement 2006. The SCI is a legal (statutory) document that must be complied with by all planning processes including the process of agreeing planning documents and making decisions on planning applications.

4. Consultation undertaken or proposed

- 4.1 Subject to Cabinet and Council approval and in line with planning regulations a six week public consultation is proposed on the drafted SCI in winter 2019/20.

5. Timetable

- 4.2 Subject to Cabinet approval and in line with planning regulations, a six-week public consultation is proposed on Merton's draft SCI. The findings would be reported to the Borough Plan Advisory Committee and Cabinet and the SCI updated accordingly before being recommended to councillors for adoption in early 2020.

6. Financial, resource and property implications

- 6.1 The costs of preparing SCI fall within existing council budgets..

7. Legal and statutory implications

- 7.1 This SCI has been produced under section 18 (1) of the Planning and Compulsory Purchase Act 2004, to prepare and maintain a SCI

8. Human rights, equalities and community cohesion implications

- 8.1 No implications.

9. Risk management and health and safety implications

- 9.1 No implications

10. Appendices – the following documents are to be published with this report and form part of the report

- 10.1 Appendix A: draft Statement of Community Involvement (SCI)

11. Background Papers – the following documents have been relied on in drawing up this report but do not form part of the report

- The Planning and Compulsory Purchase Act 2004 (as amended)
- The Localism Act 2011
- The Town and Country Planning (Local Planning) (England) Regulations 2012
- The Town and Country Planning (Development Management Procedure) (England) Order 2010 and
- The National Planning Policy Framework (NPPF 2019)

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Draft Statement of Community
Involvement (SCI)
October 2019

Reviewing the Statement of Community Involvement.

The SCI will be kept under reviewed and updated when necessary to reflect current practice and changes to consultation methods and planning legislation requirements.

A consultation on this document will take place between **month to month 2019/20**. Comments on any aspect of the draft SCI are welcomed and should be submitted via:

Email futuremerton@merton.gov.uk

Post to: Future Merton, Merton Civic Centre, London Road. Morden SM4 5DX
Following consultation on the draft SCI, responses will be considered and any changes incorporated into the final version, providing they are in accordance with planning legislation.

DRAFT

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DRAFT

1. Introduction

- 1.1 Planning can help to shape how places, areas and spaces can look where people live, work and play. Therefore it is essential that the local communities, businesses, key stakeholders, neighbouring boroughs and other interested parties have an opportunity to take part in this process.

2. What is the Statement of Community Involvement?

- 1.2 Merton's Statement of Community Involvement (SCI) sets out how the council will involve local people, local businesses, other key organisations and stakeholders when preparing planning policies documents and on submitted planning applications. All local planning authorities (the council) are required under section 18 (1) of the Planning and Compulsory Purchase Act 2004, to prepare and maintain a SCI.

Merton's SCI background

- 1.3 In 2006 Merton Council adopted its SCI. However since its adoption there have been a number of changes to planning legislation, planning guidance and technological advances such as social media, which have changed the way public consultations and engagements are carried out which means Merton's SCI (2006) requires updating.
- 1.4 In accordance with the relevant legislation this SCI sets out how, when and who will be consulted throughout the preparation of a development planning document such as a Local Plan and other statutory development planning documents for example Supplementary Planning Documents (SPDs) prepared by the council. Furthermore, it also sets out how the council will consult on planning applications.
- 1.5 In addition to legislative requirements of what should be included in an SCI, this document also sets out the principles for consultation on Neighbourhood Plans/planning¹.

¹ Neighbourhood planning is a right for communities introduced through the Localism Act 2011. Communities can shape development in their areas through the production of Neighbourhood Development Plans, Neighbourhood Development Orders and Community Right to Build Orders <https://www.gov.uk/guidance/neighbourhood-planning--2>



- 1.6 This SCI has been prepared in accordance with:
- The Planning and Compulsory Purchase Act 2004 (as amended)
 - The Localism Act 2011,
 - The Town and Country Planning (Local Planning) (England) Regulations 2012
 - The Town and Country Planning (Development Management Procedure) (England) Order 2010 and
 - The National Planning Policy Framework (NPPF 2019).

3. The benefits of involving the local community

- 1.7 Merton's local communities are those that are most likely affected by development in their local area and more importantly, know the most about their neighbourhood and how they would like it to grow and be shaped for the future. There are many benefits in involving local communities in the planning process for the council, these include:
- Benefiting from the detailed local knowledge and perspective of local people and community organisations/groups
 - Community commitment to the future development and growth of their area
 - Greater support for policies, strategies and decisions
 - Improving wellbeing and the environment (built and natural environment) within Merton

4. Accessible consultations and engagement

- 1.8 For consultations the following considerations should be considered when holding public consultation and/or events in Merton to ensure they are accessible. The points outlined below, should be considered when holding consultations/engagement whether held by applicants or the council or neighbourhood planning forums or any other event in the context of planning process:
- Building that is compliant to meet needs of those with disabilities i.e. with lift, ramps, disabled toilet, sensory sensitivity
 - Time of meeting - consideration for those with caring responsibilities (e.g. school pickups and drop-offs), work patterns, safety (avoiding late night meetings)
 - Signers for people who are either deaf or have impaired hearing



- Induction loops
- In a location with high footfall
- Accessible location that has good transport links
- Buildings that are located in a well-lit area if consultation is taking place at night
- Parking for the disabled
- If providing refreshments check dietary needs
- Always provide water
- Handouts and presentations in plain English and alternative formats such as braille.
- Ensure presentation slides do not have complicated backgrounds for those with visual impairments and dyslexia
- Use plain simple English language i.e. 'Plain English'² particularly when providing information about planning.
- Provide translated documents on request in accordance with the Ministry of Housing, Communities and Local Government – formerly the DCLG³): Guidance on translation into foreign languages
- Provide documents that are available in other formats such as Audiotape and CD's on request
- Communicate consultation as widely as possible and ensure that consultation is advertised in specialist press targeted at groups and use social media where appropriate.

5. Our approach to involving the local community in planning

1.9 We want to ensure local communities are better informed about planning, its role in shaping the development and growth in Merton. To achieve this we aim to follow these additional principles:

- Be transparent in the way planning decisions are carried out
- Be realistic about the opportunities for change in any consultation
- Promote the use of electronic methods of consultation including email and the council's website to make involvement easier, quicker and more cost effective
- Be clear and helpful in guiding people through the planning process



² <http://www.plainenglish.co.uk/>

³ www.parliament.uk/DCLG-guidance-on-Translation



- Be inclusive in consultations so a broad range of views are heard from people living and working in the borough
- Be open about the constraints imposed by regulations and planning policies (national and regional)
- Seek views at the earliest possible stages and throughout the planning process.
- Give feedback to comments made during consultations
- Use consultation methods that are appropriate to the stage of the planning process and the issues being considered

6. General Data Protection Regulation (GDPR)

- 1.1 EU law on data protection and privacy for all individual citizens of the European Union and the European Economic Area. It also addresses the transfer of personal data outside the EU and EEA areas.
- 1.2 . Merton Council handles all personal data received in line with its Privacy Policy, available at <https://www.merton.gov.uk/council-and-local-democracy/data-protection-and-freedom-of-information/policies>

7. Statutory development planning documents

- 1.3 Planning in England is policy-led and having local planning policies in place is important to ensure that the right development in Merton takes place.
- 1.4 Merton's Local Plan currently consists of the National Planning Policy Framework (NPPF), national Planning Policy Guidance (PPG), the London Plan and its supporting (for example supplementary planning documents/guidance) and:
- **Core Planning Strategy (2011):** sets out Merton's strategic objectives of the planning framework for the borough. It brings together strategies relating to land use in an integrated manner to provide a long term spatial vision and a means to deliver that vision.
 - **Sites and Policies Plan (2014):** consist of policies and proposals from other local plan documents, namely the Core Planning Strategy, the Site and Policies plan, South London Waste Plan.
 - **Polices Map (2014):** contains policies to help the council to

4



implement its Core Planning Strategy policies to ensure all proposed development reflects the spatial vision for the borough and provides detailed policy to guide planning decisions

1.5 The above documents will be replaced with a new Local Plan for Merton, which will be one document. The document will still consist of strategic and development policies and; site designations for example for open space and development site allocations, as seen on the Policies Map. The new Local plan is expected to be adopted in 2021.

- **South London Waste Plan (2011)** (also known as *Joint Waste Development Plan Document*). Sets out the issues and objectives to be met in waste management for the next ten years. It is a joint Development Plan Document and covers the geographical area comprising the London Borough of Croydon, the Royal Borough of Kingston upon Thames, the London Borough of Merton and the London Borough of Sutton.
- Comments received on the Local Plan and Planning Applications will be published on the council's websites, but all personal information will be removed in line with the GDPR. Merton Council handles all personal data received in line with its Privacy Policy, available at (web link inserted)

1.6 Merton and neighbouring boroughs (named above) will be producing a new South London Waste Plan, expected to be adopted in 2021.

- **Estates Local Plan (2018)**: sets out site specific development planning policies for three housing estate in the borough (this document is used in conjunction with other Local Plan documents)

1.7 The new Local Plan, together with new South London Waste Plan and the Estates Plan will be collectively known as Merton's Local Plan and collectively will determine all development proposals in Merton.

Who will we consult?

1.8 The Town and Country Planning (Local Planning) Regulations 2012⁴ set out the plan preparation process and minimum requirements for consultation (regulations 18 to 26).

1.9 As a minimum the council must consult and invite representations

⁴ <http://www.legislation.gov.uk/ukxi/2012/767/contents/made>



(comments) with ‘*specific consultation bodies*’, ‘*general consultation bodies*’ and residents or other persons such as local businesses in the Local Planning Authority’s (LPA) area, namely Merton. A current list of specific and general consultees is provided in Appendix A.

Figure 1: Stages in the preparation of Development Plan Documents

Pre-production evidence gathering and stakeholder involvement	Research and evidence gathering to underpin the plan may involve consultation with relevant stakeholders
Public participation in the preparation of the plan (Regulation 18)	This is a widespread process which may involve more than one stage of consultation depending on the document and the nature and scale of issues involved. This is the key stage to get involved and shape the plan content. Formal consultations will run for a minimum of six weeks.
Publication and submission of plan to the government (Regulations 19, 20 and 21, 22)	We will consult on the ‘submission’ version of the plan for a minimum of six weeks. This stage is for parties to submit comments on the ‘soundness’ ⁵ of the plan prior to submission to the government. A summary of all the consultation, the main issues raised and how these were taken into account will be submitted alongside the plan to the government.
Examination of the plan by a Planning Inspector (Regulation 24)	Relevant consultees and those who made a representation at the <i>submission stage</i> will be notified of the examination. The examination includes consideration of the comments received during the previous stage and will involve public examination hearings. Those who responded may be invited to attend an examination hearing by the Inspector. The examination may result in the Inspector posing additional questions for the council and other bodies making representations. This information/correspondence will be made publically available.

⁵ The preparation of the document needs to be legally compliant. The inspector will test how ‘*sound*’ the document is by assessing relevant evidence from both the local planning authority and any formal written comments. The inspector will only take into account the comments made on the ‘published’ plan before it is formally submitted to the Secretary of State



Publication of the Inspector's recommendations (Regulation 25)	Following the Examination the Inspector will publish a report which assesses the 'soundness' of the planning document. This report will contain the Inspector's recommendations and any Modifications (if necessary) to the planning document. This report will be publicly available. If considered to be significant 'material changes' the Inspector can advise a further round of public consultation, usually for 6 weeks
Adoption of the plan by the council (Regulation 26)	This is the final stage where the plan is formally adopted by the council.

How we will involve the community in preparing policies

1.10 The ways that we may choose to involve the community and stakeholders in the production of development planning documents are set out in figure 2 below. The methods we use at any particular stage will depend on and be informed by:

- Statutory requirements
- Availability of resources e.g. officers, IT
- Appropriateness of the method for that particular consultation
- Nature of topic being considered
- Geographic coverage of the document
- Stage of the planning process reached
- The need for specialist knowledge

Figure 2: Consultation methods the council may use for planning documents

Website	All planning policy documents, consultations and supporting information will be available on our website. We may also use the website for online surveys, questionnaires and feedback or other consultation websites such as Survey Monkey
Social Media	We may use social media such as the council's twitter or Facebook pages when appropriate e.g. to post updates or notify of consultation events and publications. Please note that use of social media will be for notification purposes only and not used for the receipt of consultation responses or used as a discussion forum.
Email	We will use emails as our main method of communication. Emails may include information on consultations, responses and the stage of preparation reached, adoption and general updates.



<p>Local Plan database <i>(This database is maintained by Future Merton team and is solely used by the future Merton team for development planning document consultations.</i></p> <p><i>Any requested changes or removal of details held on the Local Plan database will only be applicable to this database only. Changes for other council teams must be reported to the relevant council team directly.</i></p>	<p>We may email updates from this database to keep people updated on all relevant planning policy matters. The main method used for this will be the webpage.</p> <p>If you would like to be added to this Local Plan database or need to change contact details or wish to be removed from this database please email: future.merton@merton.gov.uk</p>
<p>Local Press</p>	<p>We may advertise certain consultations and stages of a plan preparation in the borough local press called The Wimbledon Times, which cover the whole of the borough. This will be determined by the council's statutory requirement to do so.</p> <p>These adverts/notices will let you know where more information can be found and how to get involved.</p>
<p>Meetings/ Community Forums</p>	<p>If we are invited we may meet with residents groups/organisations and other community groups relevant to the document being prepared.</p>
<p>Workshops</p>	<p>Workshops and facilitated events may be appropriate to discuss issues in detail and ensure that a range of people have a chance to express their concerns.</p>
<p>Targeted events</p>	<p>It may be necessary to arrange meetings with groups who do not normally respond to planning policy consultations to make sure their views are heard.</p> <p>Children and young people The Council may engage with schools (with the agreement of the head teacher), Youth Parliament and youth groups.</p> <p>Ethnic Minorities This may be in partnership with community/community forums/religious/ethnic minority groups/associations or leaders.</p> <p>Disabled/Mental health This may be in partnership with voluntary organisations, charities, health professionals and other special interest groups.</p>
<p>My Merton (Merton Council borough wide magazine).</p>	<p>We may advertise consultations for development planning documents in My Merton. This may not always be possible as this is a quarterly publication and publishing date times may not be the same as consultations timetables.</p>



How we will use the results of consultation and engagement

- 1.11 When a consultation ends we will consider the comments we have received and if necessary make changes, it must be noted that all changes following a consultation is required to be in conformity with national/ regional planning legislation, policies and guidance. We will also produce a Statement of Consultation report which will set out:
- Who was consulted
 - How they were consulted
 - A summary of the main issues raised in the comments
 - Our response to the comments
 - How the comments have been taken into account.
- 1.12 This statement will be published on our website alongside the consultation documents in question.
- 1.13 All comments received for Local Plan and other planning policy and guidance consultations will be available to view on the Council's website with all personal details removed.

Supplementary Planning Documents (SPDs)

- 1.14 The council may also produce other planning documents such as Supplementary Planning Documents (SPDs). They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. They do not have as much weight in decisions as development planning documents but do play an important role in giving more information and detail on how our Local Plan policies will be applied.
- 1.15 SPDs are not subject to a public examination with a planning inspector, as they are prepared by the council to give further details to adopted Local Plan policies.



Figure 3: Stages in the preparation of Supplementary Planning Documents (SPDs)

Development of evidence base and preparation of draft SPD	This may involve a range of different consultation and engagement activities depending on the topics and coverage of the SPD.
Public consultation on the draft supplementary planning document (Regulation 12 and 13)	This is the key stage to shape the content of the plan. Statutory minimum “ <i>being not less than 4 weeks period</i> ” for parties to submit representations
Adoption of the supplementary planning document by the Council (Regulation 14)	This is the final stage where the plan is formally adopted by Merton Council and an adoption statement is published.

Figure 4: Merton Council commitment for SPD consultations

Stage	Our commitment
Preparation	At this stage, we will publish on the council’s website the intention to produce an SPD and ask for comments from interested people or organisations. We may also arrange other events or workshops to discuss the content of the SPD. A consultation statement will be prepared, setting out who was involved in this stage, the comments they made, and how these comments were addressed.
Consultation	A completed draft of the SPD will be published for formal consultation. We will make available copies of all consultation material (including the consultation statement) on our website, reference libraries and Merton Civic Centre, as well as contacting the specific and (where appropriate) general consultation bodies (as set out in Appendix B). We will consult for at least weeks and a further consultation statement will be prepared after the consultation is finished.
Adoption	Upon adopting the SPD, we will prepare an adoption statement and make it, the SPD, and the consultation statement available at the Merton Civic Centre, on our website and at reference libraries.

Neighbourhood Planning

- 1.16 The Localism Act 2011 allows for the preparation of Neighbourhood Development Plans (often referred to simply as Neighbourhood Plans). A Neighbourhood Plan is prepared by the community through designated neighbourhood forums and sets out policies on development and use of land in the defined neighbourhood area. Neighbourhood planning is not a legal requirement but a right which, communities in England can choose

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to use.

- 1.17 Communities may decide that they could achieve the outcomes they want to see through other planning routes, such as incorporating their proposals for the neighbourhood into the Local Plan or through other planning mechanisms such as Local Development Orders and SPDs or through pre-application consultation on development proposals.
- 1.18 Communities and local planning authorities should discuss the different choices communities have to achieve their ambitions for their neighbourhood. If brought forward by a community and when formally agreed by the council, the neighbourhood plan becomes a statutory planning document and must be taken into account when making decisions on planning applications in that neighbourhood. This means it has the same degree of weight in decision making as the Local Plan.
- 1.19 If the policies and proposals are to be implemented as the community intend, the neighbourhood plan must be deliverable. The National Planning Policy Framework (NPPF), requires that the sites and the scale of development identified in a plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened.
- 1.20 The Neighbourhood Planning (General) Regulations 2012 ⁶ sets out the consultation requirements for neighbourhood planning, including the responsibilities of the local planning authority. The council will undertake its statutory duty with respect to these regulations. The council recommends that local people consider using the methods of community involvement set out in this SCI as the basis for their own sound and inclusive consultation on the preparation of their neighbourhood plan (including formation of the forum and neighbourhood area).
- 1.21 A Neighbourhood Plan become part of the Local Plan and the policies contained within them are then used in the determination of planning applications. The Ministry of Housing, Communities and Local Government (MHCLG) has made funding available to provide support and grants for communities looking to develop Neighbourhood Plans and Neighbourhood Development orders.

⁶ <http://www.legislation.gov.uk/ukxi/2012/637/contents/made>



Figure 5: Stages in the preparation of Neighbourhood Plans

<p>Receipt of Neighbourhood Area / Neighbourhood Forum application (Regulation 6 and 9)</p>	<p>Merton Council shall consult for not less than six weeks, as soon as possible after receipt of a complete application. We will publish the applications on the website and bring the applications to the attention of people who live, work or carry on business in the area to which the application relates.</p>
<p>Publishing Designation of Neighbourhood Area and Neighbourhood Forum (Regulation 7 and 10)</p>	<p>If Merton Council approves the application, we will publicise the decision on the website and in such a manner to bring the designations to the attention of people who live, work or carry on business in the area to which the application relates. If refusing an area or forum application. The council will publish:</p> <ul style="list-style-type: none"> • a decision statement setting out the reasons for refusal • details of where the decision may be inspected
<p>Publicity by the Neighbourhood Forum of a Neighbourhood Development Plan prior to submitting to the Council (Regulation 14)</p>	<p>The Neighbourhood Forum leads on this stage. Before submitting a Neighbourhood Development Plan to the council, the Neighbourhood Forum should:</p> <ul style="list-style-type: none"> • Consult for a minimum of six weeks. • Ensure that they bring the plan to the attention of people who live, work or carry on business in the area to which the plan relates. • Consult the consultation body listed in Appendix C, whose interest the Neighbourhood Forum consider may be affected by the NDP • Send a copy of the NDP to the LPA. The Neighbourhood Forum can determine how to consult at this stage but they must draw up a Consultation Statement, setting out who and how they have consulted for the next stage of the process.
<p>Following submission to the Council of the Neighbourhood Development Plan (NDP) (Regulation 16)</p>	<p>Merton Council will:</p> <ul style="list-style-type: none"> • Consult for a minimum of six weeks • Publish the NDP on its website • Bring the NDP to the attention of people who live, work or carry on business in the area to which the plan relates. • Consult the consultation bodies referred to in the Neighbourhood Forum's Consultation Statement.
<p>Publicising the Examiner's Report</p>	<p>As soon as possible after considering the examiners recommendations and deciding to take forward a NDP the council must publish on the</p>



<i>(1990 Act schedule 4B para 12 (11 & 12) Regulations 18 and D & 19</i>	<p>website and in such a manner to bring the report to the attention of people who live, work or carry on business in the area:</p> <ul style="list-style-type: none"> • The examiner’s report. • Its decisions and reasons in response to the examiner’s report in a ‘decision statement’. <p>Merton Council will send a copy to the Neighbourhood Forum and anyone who asked to be notified of the decision.</p>
Referendum on the NDP	Merton Council’s responsibility to publicise the referendum in accordance with Neighbourhood Planning (Referendum) Regulations 2012 requirements.
Publishing the NDP <i>*subject to more than 50% people voting in favour of the NDP Regulation 20).</i>	As soon as possible after a successful referendum*, the council should publish the NDP, an adoption statement and notify any person that has asked to be notified that it has been made.

Community Infrastructure Levy (CIL)

- 1.22 CIL is a levy charged on most new development in Merton which contributes some of the funding towards new infrastructure in the borough. The current CIL charging schedule was adopted in April 2014.
- 1.23 When adopting a new or revised CIL charging schedule, consultation requirements are similar to those for a Local Plan. The level of consultation will be commensurate with the type and scale of changes proposed. For changes, affecting many areas we will prepare a preliminary draft and undertake engagement on this; then prepare a final draft for which we will undertake the statutory consultation required.
- 1.24 As well as consulting with local resident representatives and organisations, we will take care to consult closely with local developers and infrastructure providers in preparing a CIL charging schedule with wholesale changes.
- 1.25 For a small change affecting a small number of potential sites a more targeted approach may be followed when consulting on draft proposals focusing on stakeholders of the respective sites, in accordance with statutory requirements. After consulting, an independent examination of the charging schedule will take place before adoption. Future details on [Merton’s CIL can](http://www.merton.gov.uk/cil) be found on Merton’s website www.merton.gov.uk/cil



8. Development Management

- 1.26 Development Management (formerly known as Development Control) is an integral part of the planning process. It puts development plans and policies into action to achieve sustainable development. Development Management includes the process by which planning applications (including applications for planning permission, listed building consent, advertisement consent and prior approval) are decided.
- 1.27 Development Management includes: pre-application engagement, which aims to shape development and deal with key planning issues well in advance of an application being submitted. Pre-application consultation is not mandatory, but is strongly encouraged. Early engagement leads to better development proposals and increases the likelihood of a proposal complying with the Local Plan.
- 1.28 The council no longer accept any applications via post, except in exceptional circumstances.
- 1.29 All applications must be submitted through the [Planning Portal](#) website. The only exception being Prior Approvals which can be sent via email to prior.approvals@merton.gov.uk. The figure 6 below, sets out the stages a development proposal may go through in more detail (although this is indicative only and there will be exceptions to this standard pathway):

Figure 6: Stages of development proposals

<i>Pre-application stage</i>	The council provides pre-applications advice to applicants on a proposed application. Often including various options and simply seeking initial guidance.
	The applicant undertakes pre-application consultation with the local community. This is strongly encouraged for major and strategic applications (which includes residential applications with 10 or more dwellings or an area of 0.5 hectares or more; for other uses, those with over 1000m ² of floorspace or an overall area of 1 hectare or more).
	Locally elected members (councillors) may also have the opportunity to comment at this stage.
<i>Application stage</i>	The council carries out statutory notification with the public and other stakeholders. This will always meet the minimum standards required by planning legislation and in some cases will be supplemented by additional consultation depending on the type of application.
	Development Management (DM) planning officers assess the application



	against planning policy (national, regional and local), taking into account the results of consultation.
	DM officers make recommendations on the application.
	A final decision is taken. Most applications are determined by senior planning officers. Larger applications and those where there is substantial public interest are decided by a Merton's Planning Application Committee (PAC) which, is made up of elected councillors.
<i>Post application stage</i>	If planning permission (or a related consent) is granted, it may be subject to conditions requiring further details to be submitted and approved.
	Sometimes amendments to permissions are requested. This may involve submission of material or non-material amendments. Applications for material amendments and Reserved Matters (following grant of outline permission) will be subject to consultation similar to the application stage above
	If permission is refused, an appeal to the Planning Inspectorate on behalf of the Secretary of State may follow. The procedures for notifying the local community are set out in national regulations.

Pre- application discussion with applicant(s)

1.30 This stage of consultation is optional and there is no statutory requirement for applicants to consult before submitting an application. However, we believe it can be very useful in identifying issues, responding to concerns and ensuring the views of those affected can help to improve the design of new development or influence the outcomes that will benefit there area. Discussions are confidential and any advice given is without prejudice to future decisions of the council

1.31 Obtaining pre-application advice provides applicants with the following benefits:

- Understanding how the council's policies will be applied to a proposal
- Input from the design and conservation, planning policy, and transport and highways teams, Lead Local Flood Authority (LLFA), Public Health Merton and other departments/teams where considered necessary
- Assisting in the preparation of proposals for formal submission, which, if the advice of planning officers is followed, should be handled more quickly and be more likely to result in a positive outcome
- Helping to reduce the time spent in preparing the proposal
- Indicating those proposals that are completely unacceptable and



helping to improve the quality of the proposed development.

- Putting in place a Planning Performance Agreement where this would help with managing the process and agreeing any dedicated resources for progressing the application

1.32 A properly conducted pre- application process may result in applications more likely to be recommended for approval. The council strongly encourages those who hope to bring forward applications for development on complicated or sensitive sites to consult with the council and the local community at the pre-application stage.

1.33 The council can advise developers on good practice for community engagement, including the length and extent of any consultation, contact details for potentially interested stakeholders in the local area, engagement methods and when the consultation should be held.

1.34 For such consultation to be meaningful, it should be held towards the beginning of the pre-application process, while there is still a realistic opportunity for the local community to help shape proposals before they are submitted as a formal application. If consultation is held just before submitting the application, the designs are likely to be more fixed and there are fewer opportunities for community engagement to influence the proposals.

1.35 Engagement methods that can be used include:

- **Merton's Design Review Panel (DRP):** organised by the council, this involves a presentation of a proposal to a panel of independent built environment practitioners, who provide written feedback on any proposal. The Design Review Panel is made up of a group of independent professionals such as architects, urban designers and other professional working in the built environment field.
- **Exhibitions, Community Forums and workshops:** organised by the applicant to provide information about their proposals and an opportunity for feedback.
- **Letters, leaflets and questionnaires:** organised by the applicant, this involves sending a summary of the proposals and how to respond to properties which may be affected. This will focus on informing and getting the views of the properties most affected – this could be just a few streets, or whole neighbourhoods.
- **Dedicated website:** organised by the applicant and which could show the evolution of proposals and provide a facility for feedback to be recorded.
- **Presentation of the scheme to elected members:** organised by the council including presentations to local ward councillors and Cabinet Members.



- 1.36 Consultations on very large schemes can be discussed at community forums, which are facilitated by council officers. The forums can enable local residents to express their concerns on a particular development proposals.

Consultation on Planning Applications

- 1.37 There are many different types of application, based on the proposed development. For each of these different types of application, there are also different requirements for the council to notify residents and to consult stakeholders.
- 1.38 Merton Council's website is the key resource for finding out information about and commenting on planning applications. Notification of planning applications will be publicised to meet statutory requirements. All applications will be available to view on the council's webpage [planning permission website page](#)
- 1.39 Consultations on planning applications will last at least 21 days, unless exceptional circumstances apply. In the case of amendments to applications, consultation will last at least 14 days. In most cases, we will notify you through one or more of the following ways:
- A letter from Merton Council if you live close to the application site.
 - A site notice near the application site – these will usually be attached to a lamppost or similar object. Notices will be displayed for a minimum of 21 days.
 - A notice in a local newspaper.
- 1.40 The site notice, press notice or neighbour letter will explain where the planning application can be viewed, which will usually be on the Merton Council's planning permission website and how to make comments.
- 1.41 There is no statutory requirement to consult on the following types of applications.
- Certificates of lawfulness of proposed use or development
 - Certificates of lawfulness of existing use or development
 - Internal alterations only to a Grade II listed building
 - Advertisements
 - Approval of details (exceptions are details for conservation area consents and external works to any listed building)
 - Revisions to planning applications once valid
 - Non-material amendments
 - Discharge of conditions



- 1.42 Where required by legislation, in a Conservation Area the council will erect at least one site notice in a prominent location of the proposed development. Where the council is not required by legislation the council may ask developers to put up a site notice(s). In these circumstances, the council will provide a copy of the site notice.
- 1.43 The council may require photographic evidence which shows a sign has been erected during and at the end of the consultation period. Information on site notices will be as clear and engaging as possible (while meeting statutory requirements); this may include larger font size to attract attention.

Figure 7: Development Management consultation methods

Type of application	Site notice by the council	Neighbour notification letter	Local newspaper notice	Website
House holder		√		√
Permitted development				√
Applications for major development as defined in Article 2 of the Development Management Procedure Order.	√		√	√
Applications subject to Environmental Impact Assessments (EIA) which are accompanied by an environmental statement.			√	√
Applications which do not accord with the development plan in force in the area	√			√



Applications which would affect a right of way to which Part 3a of the Wildlife and Countryside Act 1981 applies				√
Applications for planning permission not covered in the entries above e.g. non-major development.				√
Applications for listed building consent where works to the exterior of the building are proposed	√		√	√
Applications to vary or discharge conditions attached to a listed building consent, or conservation area	√		√	√
Application to discharge				√
Prior approvals		√		
Applications for Listed Building Consent				√
Advertisement Consent				√
Prior Approval				√
Prior Approval larger household extensions		√		√
Applications for permission in principle				√
Applications for reserved matters after the granting of outline permission				√
Applications for variation or removal of planning conditions		√		√



Applications for minor material amendments				√
Applications for nonmaterial or technical	By definition no consultation would be necessary			
Lawful development certificates	Legal determinations and by definition no consultation would be necessary			

How to comment on a planning application

- 1.44 Once a planning application has been validated⁷ by the council, we are required to make a decision on the proposal within the statutory time limit unless a longer period is agreed in writing with the applicant.
- 1.45 The council assigns a development management planning officer known as a 'case officer' to deal with the application until the point a planning decision is made by the planning committee. The case officer will do a site visit, check plans and make a recommendations based on:
- National Planning Policy Framework (NPPF) and its associated guidance the national Planning Policy Guidance (PPG).
 - The London Plan and its associated strategies
 - Merton's Local Plan (all documents that make up Merton's Local Plan)
 - Any representations received
- 1.46 The statutory time limits are usually 13 weeks for applications for major development and 8 weeks for all other types of development (unless an application is subject to an Environmental Impact Assessment (EIA), in which case a 16 week limit applies).
- 1.47 Where a planning application takes longer than the statutory period to decide and an extended period has not been agreed with the applicant, the government's policy is that the decision should be made within 26 weeks at most in order to comply with the 'planning guarantee'.
- 1.48 Comments must be made in writing via email or letter; verbal comments will not be accepted or considered by the council. Postings on social media will also not be accepted. The council does not accept anonymous or confidential comments related to planning applications and any anonymous or confidential comments received will not be considered when evaluating the planning application.

⁷ Once an application has been deemed valid and the determination process commences, the application is placed on the planning register and given an application reference number



- 1.49 When making a decision, the council can only take account of certain issues that are legally allowed to influence planning applications; these are known as 'material considerations'.
- 1.50 The council welcomes comments on planning applications on other aspects of an application, but to influence the planning process responders should try to consider and refer to these material considerations.
- 1.51 Material considerations include:
- Planning policies: including the NPPF, the London Plan, Merton's Local Plan and SPDs. This can also include emerging policy plans that have been through at least one round of public consultation.
 - Previous planning decisions: including appeal decisions
 - Loss of light or overshadowing
 - Loss of privacy or overlooking
 - Design, appearance and materials of a development
 - Layout and density of buildings
 - Traffic, highway safety and parking
 - Noise, smells and other disturbances resulting from the use of a new development
 - Loss of trees or other nature conservation effects
 - Effect on listed buildings or conservation areas
 - Capacity of physical infrastructure such as public drainage or water systems
 - Deficiencies in social facilities such as school places
 - Contaminated land
- 1.52 Merton Council cannot and will not, consider issues such as potential reduction in value of a property or of a private view but, the reason why these things might happen could potentially be material considerations.
- 1.53 All comments received on planning applications will be kept on file with the application.
- 1.54 All comments received from residents and other non-statutory consultees that relate to a planning application will be made available for viewing upon request to the Development Management team at Merton Civic Centre. All personal details will be removed by the Council in accordance with General Data Protection Regulations, apart from statutory consultees. All statutory consultees comments will be available to view on the Council's website with the relevant planning application.
- 1.55 All comments will be passed on to the relevant case officer for



consideration. If you send an email then you will receive an automated acknowledgement. If you send a written representation then you will not receive a confirmation letter.

- 1.56 Case officers will not generally respond to individual letters or objections, but will address the key issues and comments in their recommendation report. While case officers will take into account all comments, they will use their judgement to reach a final recommendation informed by planning policies which, may not reflect your own comments on the application. Personal information such as telephone numbers and addresses will not be displayed. The case officer's report, will set out how the application was assessed and how comments received following consultation were taken into account in the report.

1.57

How a decision is made on planning applications

- 1.58 After the consultation on a planning application is finished, the case officer will write a report setting out their recommendation. A final decision will then be taken by either a senior planning officer under delegated authority or a Merton's [Planning Application Committee \(PAC\)](#). PAC is made up of Merton's elected councillors. If an application is due to be determined at the PAC, this means that its members will make the final decision directly, on a planning application.

- 1.59 Anyone who wishes to speak at the Planning Applications Committee, although slots are limited should contact the case officer in the first instance or email to: planning.representation@merton.gov.uk

- 1.60 Where an application has been amended the council will decide whether further publicity and consultation is necessary, taking into account the public interest in the initial application and the nature and scale of the amendment relative to the initial application.

- 1.61 Where re-consultation is necessary the council will set a timeframe for responses, balancing the need for consultees to be given time to consider the issue that is being re-consulted upon and respond against the need for efficient decision making. The consultation timeframe can vary from 10 days to three weeks; depending on the nature and scale of the amendment and application.

Planning Application Committee (PAC)

- 1.62 The PAC is open to the public and meets almost every month. It is the

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PAC members who are responsible in deciding whether to grant or refuse planning permission, not the case officer or planning officers. PAC members represent the interests of the whole community and must maintain an open mind when considering planning applications.

- 1.63 Where members take decisions on planning applications they must do so in accordance with the planning policies (national, regional and local) unless, material considerations indicate otherwise. The meeting is recorded and the recording is available to view on the council's website.
- 1.64 Members must only take into account material planning considerations, which can include public views where they relate to relevant planning matters. Local opposition or support for a proposal is not in itself a ground for refusing or granting planning permission, unless it is founded upon valid 'material' planning reasons.
- 1.65 Members of the public can speak at the PAC meeting either in favour or in opposition to an application but, to do so, you must contact Development Management team by 12 Noon on the day before the meeting. Further details can be found at: www.merton.gov.uk/attending&speakingatBPAC
- 1.66 The agendas, minutes and reports for the PAC are made available on the council website 5 to 7 working days before an upcoming committee and the minutes are published online within 5 to 7 working days of agreement at a subsequent committee.
- 1.67 Once a decision has been made, a decision letter is sent by email (or letter if email is not possible) to the applicant. All decision made by the PAC can be viewed on the council's website at: www.merton.gov.uk/environment/planning/planningdecisionlist
- 1.68 An application may be granted subject to conditions. Such conditions may require further reports to be submitted prior to commencement of works. There is no requirement to consult the public on planning conditions. Also demonstrating compliance with conditions is not an opportunity for public comment. However, should an applicant apply to the council to vary (change) a condition, then this may trigger the need for further public consultation.
- 1.69 All applications for certificates of lawfulness and tree work and most planning and advertisement applications are determined by the planning department. This is what is known as a 'Delegated' decision - one taken by officers of the council rather than elected councillors.





9. Where you can get more help

Planning handbook: A guide to planning in Merton

- 1.70 For more information our handbook provides an introduction to the planning system, advice about when you might need to apply for planning permission, the different types of application, and your options after a decision has been made.

www.planningguide.co.uk/merton

Planning Portal

- 1.71 The Planning Portal has a great, user-friendly, section dedicated to helping you understand if you need planning permission. The interactive house and interactive terrace are the major sources of information; but there are other, interactive, mini-guides on loft conversions, extensions, conservatories, outbuildings and porches.

www.planningportal.co.uk

Planning Aid Direct

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1.72 Planning Aid Direct is a web resource operated by Planning Aid England (part of the Royal Town Planning Institute) which provides answers to questions people often ask about planning. It gives clear, simple explanations of how the planning system works. It also signposts you to further support and advice.

www.planningaid.org

Royal Town Planning Institute (RTPI)

1.73 The Royal Town Planning Institute is the principal body representing planning professionals in the United Kingdom and Ireland. It promotes and develops policy affecting planning and the built environment. Founded in 1914, the institute was granted a Royal Charter in 1959.

10. Principles of engagement

1.74 This section aims to assist developers who may need to engage and hold a public consultation with local residents/business/groups. The principles below are not an exhaustive list and should be used as a guide to assist.



Web accessibility

1.75 Merton Council expects that all webpage(s)/webpage(s) for example, for pre application consultations are accessible and comply with the industry Web Content Accessibility Guideline (known as WCAG 2.1) and meet the design principals set within the WACG 2.1.

1.76 The WCAG 2.1 are an internationally recognised set of recommendations for improving web accessibility. It set out and explains how to make digital services, websites and apps accessible to everyone, including users with impairments to their:

- vision - like severely sight impaired (blind), sight impaired (partially sighted) or colour blind people
- hearing - like people who are deaf or hard of hearing
- mobility - like those who find it difficult to use a mouse or keyboard
- thinking and understanding - like people with dyslexia, autism or learning difficulties



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Raise awareness

- Research the communities who may be affected.
- When hold a consultation consider the timing and if possible avoid public holidays/ religious dates - consider extending the consultation period if possible (planning legislation and regulation will need to be a consideration).
- Identify key individuals and groups who can spread the word such as religious/faith groups, environmental groups and disabled groups.
- Consider different levels of awareness raising depending on proximity and location.
- Explain what is proposed, how to find out more and why views are needed.
- Place adverts in public places for example community centres, libraries, in shop windows, bus stops, places of worship, GPs surgeries. Consider 'trade' journals, local publications.
- Consider developing an interactive website.

1.77 It is important during consultation to monitor responses and address weaknesses and issues as they happen if appropriate and/or possible.

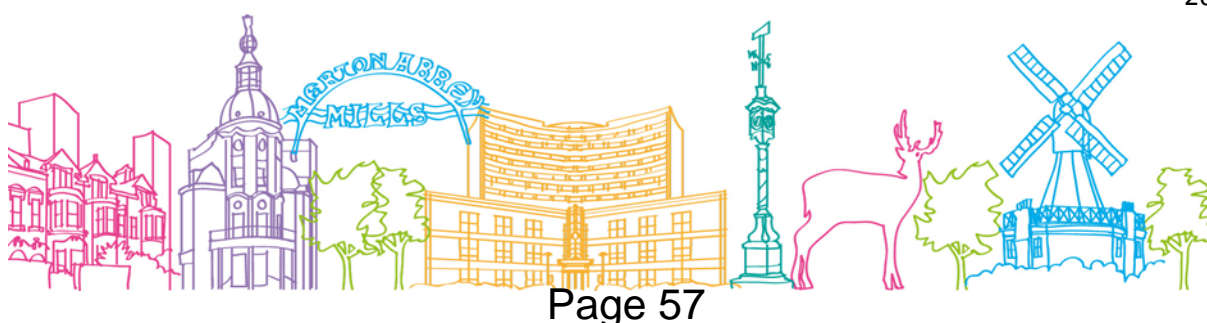
Building understanding

- Consider timing of the exhibition, public transport accessibility, language /style used. Identify whether there is a need to produce material in different languages, braille and a sign language interpreter.
- Explain the relationship with other consultations.
- Provide clear information about the project, background.
- Explain what is 'fixed', what is '*up for discussion*' and/or Identify options – be transparent.
- Consider providing a telephone hotline for those wanting more information
- Unstaffed/staffed exhibitions /drop in sessions
- Leaflets drops / Information sheets
- Dedicated and up to date website(s) and newsletters.

Consult and Communicate

- Consider establishing a residents / community steering group and work with them to identify locations for events and fine tune the content.
- Identify and connect with other community events e.g. community carnivals and festivals
- Consider holding staffed exhibitions. Interactive displays, where questions can be asked and answered

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- Seek feedback and be clear what will happen to comments.
- Monitor attendance and consider additional venues / events to secure a balanced response from a board and representative community.
- Re-consult if significant changes have been made to the proposals.
- Consider using interactive websites to reach the 'silent' majority - then focus resources on the disadvantaged and hard to reach.
- Make questionnaires available for feedback and comments
- Offer presentations to local community groups/community forums/ward councilors.
- When appropriate consider requests for facilitated events Interactive websites

Discuss and Debate

- Level the playing field – facilitate the process to allow fair participation from all.
- Listen to views and share tensions between different communities.
- Invite new ideas and consider alternatives – provide responses.
- Focus sessions on key issues – capture local knowledge and ideas.
- Run visits to see similar developments elsewhere.
- Provide honest feedback and explain how comments have been included and if not, why not.
- Do what you say you will.
- Consider using independent mediators to find an agreed solution.
- Consider workshops with different groups (local residents and interest groups) to discuss development.
- Consider using and setting up a local focus groups

Effective Engagement

- Continue to support and involve groups which have contributed to the process.
- Invite feedback on issues before they develop into a crisis.
- Use engagement to inform decisions on issues such as traffic routing.
- Invite participants to share knowledge and experiences with similarly affected groups in the future, acts as mentors for others.
- Keep the website up to date with responsive key contact information. Provide electronic alerts at key stages.





Appendix A: Types of applications and permissions

Full planning permission

Normally required if you wish to make a change in the use of land or buildings and or you wish to carry out works or operations including the erection of buildings/extensions.

It may also be required if development has been carried out without permission and an application is being made to regularise the position.

Outline planning permission

Applications for outline planning permission seek to establish whether the scale and nature of a proposed development would be acceptable to the local planning authority, before a fully detailed proposal is put forward.

This type of planning application allows fewer details about the proposal to be submitted. Once outline permission has been granted, you will need to ask for approval of the details (“reserved matters”) before work can start. These details will be the subject of a “reserved matters” application at a later stage.

An application for outline planning permission is normally only appropriate in the case of larger or more complex developments. It is not normally appropriate in the case of householder applications, developments in conservation areas, or changes in the use of premises.

Approval of Reserved Matters

Where outline permission has been granted, you may, within three years of the outline approval, make an application for the outstanding reserved matters, i.e. the information excluded from the initial outline planning application. This will typically include information about the layout, access, scale and appearance of the development. In October 2009, the Government introduced an application to extend the time limits for planning permission, including outline permissions.

Conservation area consent

Is required if you wish to demolish a building or structure within a conservation area.

Listed building consent

Normally required when you wish to carry out works to a listed building, this would include internal works to the building.

Advertisement consent



This is required if you wish to display advertisement including many types of shop fascia or signage. For more detailed guidance please check the central government leaflet about outdoor adverts and signs. www.gov.uk/government/advertisingguide

Tree work consent

Usually required to prune or fell a tree which is either within a conservation area or protected by a Tree Preservation Order (TPO). For more information on trees or tree applications, please telephone 020 8545 3815.

Certificate of Lawfulness for a Proposed Use or Development

Appropriate where you wish to seek formal confirmation from the council that proposed developments (including householder developments) fall within permitted development allowances or that a proposed use would constitute a lawful use of the premises and would not require planning permission.

Certificate of Lawfulness for an Existing Use or Development

Appropriate where you wish to regularise an existing use or development and can demonstrate that the use has been in operation for ten years, or a development (including householder extensions) in place for four years.



Appendix B: Duty to co-operate and specific consultees

The Town and Country Planning (Local Planning) (England) Regulations 2012 define the following bodies as 'specific consultation bodies':

The Environment Agency
Historic England
Natural England
The Mayor of London and the offices held by the Mayor
The Civil Aviation Authority
Clinical Commissioning Group (CCG)
NHS
The Office of Rail Regulation
Transport for London

The Coal Authority;
Network Rail Infrastructure Limited
Any person to whom the electronic communications code applies by virtue of a direction given under Section 106 (3) (a) of the Communications Act 2003;
Any person who owns or controls electronic communications apparatus situated in any part of the area of the local authority;
Metropolitan Police Service

Other public bodies, in addition to local planning authorities, are subject to the duty to cooperate by being prescribed in the [Town and Country Planning \(Local Planning\) \(England\) Regulations 2012](#) as amended by the [National Treatment Agency \(Abolition\) and the Health and Social Care Act 2012 \(Consequential, Transitional and Saving Provisions\) Order 2013](#)

Specific consultation bodies -The Town and Country Planning (Local Planning) (England) Regulations 2012 define the following bodies as 'specific consultation bodies':

- The Coal Authority
- The Environment Agency
- Historic England (Historic Buildings and Monuments Commission for England)
- Marine Management Organisation
- Natural England
- Network Rail Infrastructure Limited
- Highways England
- A relevant authority any part of whose area is in or adjoins the local planning authority's area
- Any person to whom the electronic communications code applies by virtue of a direction given under section 106(3) (a) of the Communications Act 2003, and who owns or controls electronic communications apparatus situated in any part of the local planning authority's area
- If it exercises functions in any part of the local planning authority's area:
 - A Primary Care Trust established under section 18 of the National Health

- Service Act 2006(g) or continued in existence by virtue of that section (this is now replaced by Clinical Commissioning Groups and Public Health departments in councils);
- A person to whom a licence has been granted under section 6(1) (b) or (c) of the Electricity Act 1989(h)
- A person to whom a license has been granted under section 7(2) of the Gas Act 1986(a)
- A sewerage undertaker; and
- A water undertaker
- The Homes and Communities Agency (b)
- The Mayor of London and Mayoral offices



General Consultation Bodies

The Government has defined through the Town and Country Planning (Local Planning) (England) Regulations 2012, General Consultation Bodies as voluntary bodies some or all of whose activities benefit any part of the authority's area and other bodies who represent, in the authority's area, the interests of different racial, ethnic or national groups, different religious groups, disabled persons, and business interests.

Merton's Local Plan database contains over 2,000 groups, organisations, companies and individuals from the following categories:

- Non-adjointing Local Planning Authorities
- Advice and information groups
- Architects
- Black and Minority Ethnic Groups
- Business groups/organisations
- Conservation and heritage groups
- Developers
- Disability groups
- Education
- Elderly groups
- Employment/business groups/organisations
- Environmental groups
- Faith and worship groups
- Health organisations including NHS, CCG and Public Health
- House builders
- Landowners
- Planning consultants
- Police and other emergency services
- Political parties
- Regeneration groups and partnerships
- Registered social landlords
- Resident's groups/organisations
- Sport and leisure groups
- Statutory consultees
- Transport groups
- Utility companies
- Youth Groups



Appendix C: Consultees for Neighbourhood Development Plans

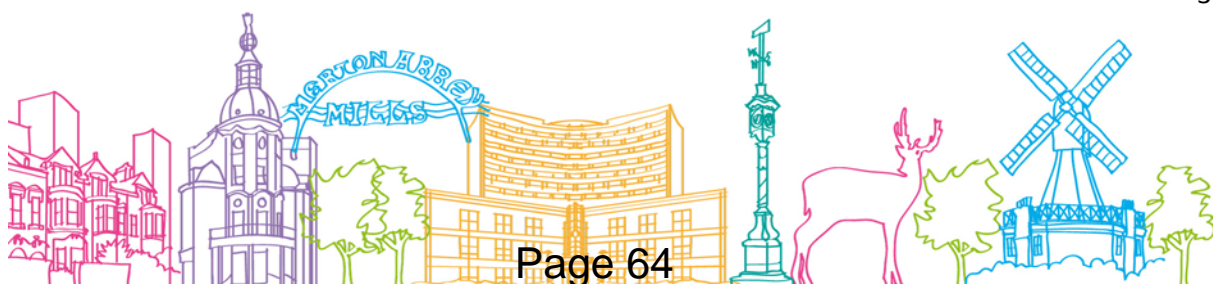
In accordance with the Neighbourhood Planning Regulations 2012, the consultation bodies that the Neighbourhood Forum and Council have to consult at the relevant consultation stages are the:

- Mayor of London (and offices held by the Mayor of London)
- A relevant authority, any part of whose area is in or adjoins the area of the local authority, such as:
 - local planning authority
 - a county council
 - a parish council
 - a police authority
- Coal Authority
- Homes and Communities Agency (responsibilities now fall under the GLA)
- Natural England
- Environment Agency
- Historic England
- Network Rail Infrastructure Limited
- Highways Agency (outside London)
- Any person to whom the electronic communications code applies, or who owns or controls electronic communications apparatus situated in any part of the area of the LPA

- Where it exercises functions in any part of the neighbourhood area:
 - Clinical Commissioning Group (NHS)
 - Licensee under the Electricity Act 1989
 - Licensee of the Gas Act 1986
 - sewerage undertaker
 - water undertaker

- Voluntary bodies whose activities benefit all or part of the neighbourhood area
- Bodies representing the interests of different racial, ethnic or national groups in the neighbourhood area
- Bodies representing the interests of different religious groups in the neighbourhood area
- Bodies representing the interests of disabled people in the neighbourhood area

The Neighbourhood Forum is required to submit a Consultation Statement to the council formally submitting the Neighbourhood Development Plan. This statement must detail the bodies consulted in the preparation stage.





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Committee: Cabinet

Date: 14 October 2019

Wards: All

Subject: Merton's Playing Pitch Strategy 2019

Lead officer: Chris Lee, Director for Environment and Regeneration

Lead members: Councillor Martin Whelton, Cabinet Member for Regeneration, Housing and Transport
Councillor Caroline Cooper-Marbiah, Cabinet Member for Commerce, Leisure and Culture

Contact officers: Tara Butler, Deputy Head of Future Merton
Francis McParland, Leisure Service Manager

Recommendation:

That Cabinet adopt Merton's Playing Pitch Strategy (2019), which will form part of the evidence base for the Council's new Local Development Plan.

1. Purpose of report and executive summary

- 1.1 The Council's current Playing Pitch Strategy (PPS) was published in June 2011. Since then, there have been changes to the National Planning Policy Framework (NPPF), planning legislation and updates to the predicted population growth for Merton, resulting in the need for a revised PPS for the borough.
- 1.2 The PPS is a strategic assessment that provides an up to date analysis of supply and demand for outdoor grass and artificial playing pitches in the borough. The report includes an analysis of all Council and privately owned sites where the following sports are played; cricket, rugby union, football, hockey, tennis, bowls, athletics and water sports.
- 1.3 The PPS identifies how playing pitches are currently used, whether any pitches are surplus to requirements and sets out how the Council, its partners and developers can plan provision to meet the current and future demand for outdoor sport and recreation facilities.

- 1.4 The PPS is required by the Council to ensure a planned approach to outdoor sport and physical activity facilities in the borough over the medium term ensuring that residents continue to have access to high quality facilities, helping to meet the priorities set out in the Council's Health & Wellbeing Strategy.
- 1.5 Furthermore, the PPS enables the National Sports Governing Bodies, such as the England Cricket Board (ECB), Rugby Football Union (RFU), Football Foundation and England Hockey to apply for substantial funding in conjunction with Sport England to enable investment in sporting facilities throughout Merton. Without an adopted PPS, this is very difficult, and the quality and availability of sporting facilities throughout the borough could suffer.
- 1.6 On the 12th September 2019, the Borough Plan Advisory Committee recommended that the PPS should be adopted by Cabinet.

2. Details

- 2.1 In January 2018, officers tendered for consultants via the London Tenders Portal to produce a new PPS on behalf of the Council. 4global Consulting was appointed through this process. The strategy was developed in partnership with Sport England and the National Governing Bodies for Rugby, Cricket, Hockey, Football and Tennis; and the Council's Leisure, Public Health and Future Merton teams.
- 2.2 The PPS:
 - Acts as evidence for the new Local Development Plan, informs the development of planning policy and the protection of playing pitches.
 - Assists with development management decisions for planning applications involving new, improvements to, or the loss of playing fields.
 - Supports the need for financial contributions such as Section 106, from developers to meet infrastructure requirements relating to sport, recreation and open space.
 - Identifies where improvements and enhancements need to be made to existing facilities across the borough.
 - Identifies any social, physical and affordability barriers of existing and new pitches to enable increased activity and participation for all ages, groups and communities.

- Builds on the borough's priorities for community cohesion, accessibility and social inclusion.
- Supports the borough's Health and Wellbeing priorities as set out in Merton's Health and Wellbeing Strategy.
- Highlights the key priorities in the borough and provides up to date evidence to support funding bids to National Sports bodies like Sport England, the National Governing Bodies of sport and the Mayor of London.

2.3 The strategy was prepared by 4global Consulting in accordance with the Sport England methodology, which identifies four primary stages to preparing a PPS:

Stage A: Prepare and tailor the approach, agree timeline and set up the Steering Group;

Stage B: Gather supply and demand data for the sites and undertake detailed site quality assessments;

Stage C: Through analysis of the supply and demand information captured, identify the key issues; and

Stage D: Develop the action plan and recommendations to produce the Playing Pitch Strategy.

Once the PPS has been adopted, Sport England identify a further Stage E which is to deliver the strategy.

3. Alternative options

3.1 The alternative option would be not to adopt the PPS. This is not recommended as Sport England and other bodies responsible for grant funding would expect to see a strategic plan adopted to enable any funding bids or significant changes to facilities to move forward. As mentioned above, an adopted PPS is also key to future planning decisions in the borough and required as part of the Local Development Plan evidence base.

4. Consultation undertaken or proposed

4.1 As part of the Stage B process, 4global carried out stakeholder consultations with the relevant sport's National Governing Bodies and

Sport England, through detailed individual conversations in addition to the regular Steering Group meetings. Sporting clubs, leagues and schools throughout the borough were also consulted during the site quality audits and demand data capture. The consultation methods that were used included face to face meetings, focus groups, phone conversations and use of the 4global playing pitch online platform.

- 4.2 No further consultations are proposed for this strategy, however the PPS will form part of the suite of evidence base documents that will be published and consulted on through the Local Development Plan process.

5. Timetable

- 5.1 The PPS was considered by the Borough Plan Advisory Committee on 12th September 2019, where a recommendation was made that Cabinet adopt the strategy.
- 5.2 The PPS is to be considered by Cabinet for adoption on 14th October 2019.
- 5.3 Once adopted, the PPS can be implemented and used to inform the draft Local Development Plan and future planning applications on applicable sites throughout the borough.

6. Financial, resource and property implications

- 6.1 The PPS advises that the Steering Group, which is made up of Sport England, representatives of each of the national sporting bodies and Council officers, meet regularly to ensure decisions are made in accordance with the action plan and priority sites outlined in the PPS.
- 6.2 The PPS recognises the financial pressures facing the Council and does not identify the Council as a key financial resource for the delivery of the strategy. While it is acknowledged that the Council, as a landowner, has an existing interest in sporting projects that will be delivered on Council owned land, the PPS identifies that where sports clubs have a long standing interest in a specific site they will be a partner in delivering the actions and contribute financially or in-kind, alongside their sporting bodies, where appropriate.
- 6.3 The recommendations and action plan within the PPS will greatly assist the Council's Development Control team in securing Section 106 financial

planning contributions from planning applications, which will improve the quality and quantity of sporting facilities throughout the borough.

- 6.4 The costs for the preparation of this strategy fall within the existing Local Development Plan budget and existing Future Merton and Leisure staff resource time.

7. Legal and statutory implications

- 7.1 There is no statutory requirement for the Council to have a PPS, however once adopted, it may be taken into account as a material consideration in the determination of planning applications where relevant, and can inform the future development of planning policy. The PPS also accords with paragraph 96 of the National Planning Policy Framework (NPPF) 2019 states that:

“Planning policies should be based on robust and up-to-date assessments of the need for open space, sport and recreation facilities (including quantitative or qualitative deficits or surpluses) and opportunities for new provision. Information gained from the assessments should be used to determine what open space, sport and recreational provision is needed, which plans should then seek to accommodate”

- 7.2 The PPS is a key evidence document that informs the development of the Local Development Plan and key evidence document for the Planning Inspector to consider at the Local Development Plan examination.
- 7.3 The successful delivery of the PSS is likely to rely on the provision of external funding to cover the cost associated with sports facility improvement and management. As described in paragraph 1.5 of this report, these funds are often sourced or matched from external grant funders such as Lottery or Sport England and sport governing bodies such as the Football Foundation, which involves the preparation of grant application forms. These are often extensive documents which are time consuming to prepare. Grant funding received is usually subject to legal agreements relating to future use of sport facilities which have benefitted from such grants, including maintenance obligations, restrictions on disposal and clawback should sporting activity subsequently cease to take place on site. Legal support should be sought prior to entering into such agreements.

7.4 As outlined at paragraphs 2.2 and 6.3 of this report, external funding relied upon is also likely to be via s106 agreements being more focused on recreational facilities. Members will however be aware of national changes to s.106 agreements and how funds can be allocated.

8. Human rights, equalities and community cohesion implications

8.1 No implications.

9. Risk management and health and safety implications

9.1 No implications

10. Appendices – the following documents are to be published with this report and form part of the report

10.1 No appendices

10.2 The Playing Pitch Strategy is available to view on the [Council's Local Development Plan Research webpage](#).

Cabinet

Date: 14 October 2019

Subject: Financial Report 2019/20 – August 2019

Lead officer: Roger Kershaw

Lead member: Mark Allison

Recommendations:

- A. That Cabinet note the financial reporting data relating to revenue budgetary control, showing a forecast net underspend at year-end of £250k, -0.05% of gross budget.
- B. That Cabinet note the contents of Section 4 and the amendments to the Capital Programme contained in Appendix 5b and approve the amendments in the Table below:

Scheme	2019/20 Budget	2020/21 Budget	Narrative
Corporate Service			
Civic Centre Boilers	(201,480)	201,480	Scheme slipped to 2020-21
Highways and Footways - Traffic Schemes	100,000		New TfL Funding of £100k
Total	(101,480)	201,480	

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This is the financial monitoring report for period 5, 31st August 2019 presented in line with the financial reporting timetable.
This financial monitoring report provides -
- The income and expenditure at period 5 and a full year forecast projection.
 - An update on the capital programme and detailed monitoring information;
 - An update on Corporate Items in the budget 2019/20;
 - Progress on the delivery of the 2019/20 revenue savings

2. THE FINANCIAL REPORTING PROCESS

- 2.1 The budget monitoring process in 2019/20 continues to focus on children's social care, which overspent in 2018/19 and continues to have budget pressures. There will also be focus on adult social care placements where there is continued pressure. It is equally important to forecast expected underspends as it is overspends to ensure the overall Council forecast position is accurate.
- 2.2 Chief Officers, together with budget managers and Service Financial Advisers are responsible for keeping budgets under close scrutiny and ensuring that expenditure within budgets which are overspending is being actively and vigorously controlled and where budgets are underspent, these underspends are retained until year end. Any final overall overspend on the General Fund will result in a call on balances; however this action is not sustainable longer term.

2.3 2019/20 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

Executive summary – At period 5 to 31st August 2019, the year-end forecast is a net £250k underspend compared to the current budget. This excludes any monies due from the last year of the Business Rates London Pilot Pool.

Summary Position as at 31st August 2019

	Current Budget 2019/20 £000s	Full Year Forecast (Aug) £000s	Forecast Variance at year end (Aug) £000s	Forecast Variance at year end (July) £000s	Outturn variance 2018/19 £000s
Department					
3A. Corporate Services	11,351	10,922	(429)	(497)	(2,511)
3B. Children, Schools and Families	61,415	62,692	1,277	1,743	2,271
3C. Community and Housing	63,752	63,949	197	307	(197)
3D. Public Health	0	12	12	27	0
3E. Environment & Regeneration	15,996	15,676	(320)	(393)	(1,526)
Overheads	0	0	0	0	(33)
NET SERVICE EXPENDITURE	152,514	153,251	737	1,187	(1,996)
3E. Corporate Items					
Impact of Capital on revenue budget	10,481	10,481	0	0	403
Other Central budgets	(20,679)	(21,666)	(987)	(987)	(6,064)
Levies	949	949	0	0	0
TOTAL CORPORATE PROVISIONS	(9,249)	(10,236)	(987)	(987)	(5,661)
TOTAL GENERAL FUND	143,265	143,015	(250)	200	(7,657)
FUNDING					
Revenue Support Grant	0	0	0	0	0
Business Rates	(44,026)	(44,026)	0	0	0
Other Grants	(8,169)	(8,169)	0	0	0
Council Tax and Collection Fund	(91,070)	(91,070)	0	0	0
FUNDING	(143,265)	(143,265)	0	0	0
NET	0	(250)	(250)	200	(7,657)

The current level of GF balances is £13.778m and the minimum level reported to Council for this is £12.53m.

3. DEPARTMENTAL SUMMARY OF CURRENT POSITION

Corporate Services

Division	2019/20 Current Budget £000	2019/20 Full year Forecast (August) £000	2019/20 Full Year Forecast Variance (August) £000	2019/20 Full Year Forecast Variance (July) £000	2018/19 Outturn Variance £000
Customers, Policy & Improvement	3,572	3,432	(140)	(141)	(246)
Infrastructure & Technology	11,767	11,867	100	71	(64)
Corporate Governance	2,432	2,381	(51)	(54)	(294)
Resources	5,915	5,679	(235)	(153)	(707)
Human Resources	1,919	2,154	235	56	16
Corporate Other	834	497	(337)	(276)	(1,216)
Total (Controllable)	26,439	26,010	(429)	(497)	(2,511)

Overview

At the end of period 5 (August) the Corporate Services (CS) department is forecasting an underspend of £429k at year end. The underspend forecast has reduced by £68k since period 4 (July).

Customers, Policy and Improvement - £140k under

Customer Contact is forecasting a £63k underspend due to lower than budgeted licence costs. There is a forecast underspend of £49k on cash collections, capturing future year savings early in 2019/20. The Translations Service has a forecast underspend of £24k, mainly as a result of additional income from internal translation requests compared to the budgeted amount and a vacancy within the team. Merton Link is forecasting a £12k underspend owing to various running costs. Marketing and Communications have a £44k underspend forecast from less than budgeted spend on the council magazine and graphic design, this is in line with the level of spend in 2018/19. A further £46k underspend is forecast on Community Engagement, this is a result of maternity leave in the team and other underspends.

A £34k overspend is forecast on the Registrars Service relating to various running cost budgets such as grounds maintenance and marketing as well as an underachievement of a staffing saving (2019-20 CS05). This is partly offset by the overachievement of income; however, income for 19/20 is expected to be £76k less than that achieved in 18/19 due to the Home Office no longer providing additional work. Additionally, Press and PR are forecasting a £30k overspend due to underachievement of income.

Overall the forecast underspend on CPI has reduced by only £1k from period 4. This is due to small changes within the forecast largely offsetting one another.

Infrastructure & Technology - £100k over

I&T are forecasting overspends on telecoms of £65k due to delays in the PABX telecoms implementation and £84k on the Professional Development Centre (Chaucer Centre) due to the underachievement of rental income. Facilities Management are forecasting a £34k overspend reflecting the use of agency staff and only a partial achievement of a saving in year (2018-19 CS04) following a recent restructure of the Energy Team. Facilities are forecasting a further £56k overspend on the external fees account due to the use of additional agency staff. The Business Systems team is also forecasting an overspend, of £45k, due to recruitment costs, hardware purchases and the underachievement of income.

Various underspends within the division are partly offsetting the above overspends. IT service delivery is forecasting a £24k underspend due to less than budgeted licence costs and additional recharges to clients. The print and post room are forecasting a £35k underspend with a vacancy held in the team. The corporate print strategy is forecasting a £58k underspend due to less than budgeted multi-functional device (MFD) costs. Additionally, transactional services are forecasting a £35k underspend resulting from the recovery of expenses in previous years and a £53k underspend is forecast on Garth Road archive storage due to rental income.

The forecast overspend in I&T has increased by £29k since period 4. This is mainly due to increased Civic Centre maintenance costs and the recruitment to vacant positions in the business systems team.

Corporate Governance – £51k under

The underspend within Corporate Governance is formed of £8k from various running cost budgets held by the AD and £17k from Democracy Services largely due to a vacancy and £15k inflation. A further £37k underspend is forecast in the Information Governance team due to vacancies and consultants budget not required in year.

The above underspends are partly offset by a £13k overspend forecast on legal services outside of SLLp due to the underachievement of income and other small overspends forecast on electoral registration printing and postage as well as election expenses following the Cannons Hill By-Election. The South London Legal Partnership (SLLp) are forecasting a £25k deficit, of which £5k is attributable to Merton.

The forecast underspend on Corporate Governance has reduced by only £2k from the position at period 4. This is due to reduced hours in the information governance team offsetting the change in SLLp, which was previously forecasting a small surplus.

Resources - £235k under

There are various underspends forecast within senior management, made up of the Chief Executive's budget (£41k under), Director of Corporate Services (£72k under) and AD Resources (£69k under) due to subscription and consultancy budgets not expected to be required in year.

Accountancy has a £195k overspend forecast on corporate accountancy due to agency spend and additional bank charges being incurred in relation to RingGo payments. Mitigating actions to reduce the additional bank charges are being reviewed and the current forecast represents a worst case scenario at this point. As more information is gathered the updated overspend position will be examined and additional funding required from E&R

budgets will be considered. This is partly offset by a £61k underspend within the budget management team due to vacancies held for part of the year which have since been filled.

A £85k overspend is forecast on the Financial Information System (FIS) team mainly due to additional licence, consultancy and staffing costs, with a business case pending to review ongoing budget pressures within the team.

The Insurance and Treasury teams are forecasting an underspend of £12k due to higher than budgeted recharges to the pension fund.

The Merton and Sutton bailiff services are forecasting to underspend by £97k due to additional income in excess of the budget. Benefits Administration is forecasting a £251k underspend mainly due to additional income from DWP for various schemes though this is in part offset by agency spend. There is a forecast overspend of £103k on local taxation services due to various running costs and agency spend which is not fully offset by additional income relating to the cost of collection for NDR and council tax.

The forecast underspend in the Resources Division has increased by £82k compared to period 4. This is due to a reduced forecast in budget management following the recruitment to vacancies and reduced overtime costs in the benefit administration team. Offsetting these, in part, is an increased forecast in the financial systems team to cover additional consultancy days required.

Human Resources – £235k over

Learning and Development is forecasting a £141k overspend due to recruitment costs as well as interim cover for the Head of Organisational Development and HR Strategy post. £50k of the L&D overspend relates to training; a review of the planned training for the rest of the year is being carried out and the forecast will be updated in line with this in the coming months. The overspend forecast in HR also includes an additional temporary resource to assist with implementing the new recruitment system.

The HR AD budget is also forecasting an overspend of £48k due to the interim cover of the Head of HR post and recruitment costs. A significant budget pressure within HR is from the transactions budget which is currently forecasting a £75k overspend. This is due to a £15k budget pressure on DBS recharges to clients, which no longer include an internal admin charge as the work is carried out by the London Borough of Kingston, and the remainder relates to the shared payroll system and iTrent client team charges, also by the London Borough of Kingston. The underachievement of schools buyback income is also contributing to the HR overspend.

Payroll has an underspend forecast of £30k as a result of a restructure in year, which captures part of a future year saving early, and a vacancy held in the team.

Overall the HR overspend has increased by £179k compared to the position at period 4, mainly due to agency staff in management positions being forecast to stay in post for the rest of the year and an increased training forecast, pending a full review.

Corporate Items - £337k under

The Housing Benefit rent allowances budget shows a forecast surplus of £1.23m on the account against a budgeted surplus of £1m. The additional surplus relates to a £500k underspend against the budget to top-up the bad debt provision, part offset by an overpayment recovery shortfall.

An additional surplus of £60k is forecast following the introduction of a scheme to recover old housing benefits debts which had previously been written off, due to new access to information from HMRC.

The Coroners Court is forecasting an overspend of £46k, incorporating a contingency for additional charges from Westminster. This part offsets with £41k additional income from the Magistrates court. A further £33k underspend is forecast on the pensions added years budget.

The forecast underspend on corporate items has increased by £60k since period 4. This is due to the inclusion of a surplus relating to the recovery of housing benefit debt previously written off.

Environment & Regeneration

Environment & Regeneration	2019/20 Current Budget	Full year Forecast (Aug)	Forecast Variance at year end (Aug)	Forecast Variance at year end (July)	2018/19 Outturn Variance
	£000	£000	£000	£000	£000
Public Protection	(13,064)	(13,206)	(142)	(363)	(753)
Public Space	14,682	14,857	175	361	(1,449)
Senior Management	975	1,003	28	12	(17)
Sustainable Communities	8,239	7,857	(382)	(403)	694
Total (Controllable)	10,832	10,511	(321)	(393)	(1,525)

Description	2019/20 Current Budget	Forecast Variance at year end (Aug)	Forecast Variance at year end (July)	2018/19 Variance at year end
	£000	£000	£000	£000
Overspend within Regulatory Services	604	66	107	112
Underspend within Parking Services	(14,539)	(329)	(600)	(964)
Overspend within Safer Merton & CCTV	871	121	130	99
Total for Public Protection	(13,064)	(142)	(363)	(753)
Overspend within Waste Services	13,716	382	344	(1,611)
Underspend within Leisure & Culture	416	(253)	(36)	(222)
Underspend within Greenspaces	1,245	(50)	(43)	145
Overspend within Transport Services	(695)	96	96	239
Total for Public Space	14,682	175	361	(1,449)
Overspend within Senior Management & Support	975	28	12	(17)
Total for Senior Management	975	28	12	(17)
Underspend within Property Management	(2,692)	(269)	(421)	368
Underspend within Building & Development Control	4	(131)	(1)	275
Overspend within Future Merton	10,927	18	19	51
Total for Sustainable Communities	8,239	(382)	(403)	694
Total Excluding Overheads	10,832	(321)	(393)	(1,525)

Overview

The department is currently forecasting an underspend of £321k at year end. The main areas of variance are Parking Services, Safer Merton & CCTV, Waste Services, Leisure & Culture, Property Management, and Development & Building Control.

Public Protection

Parking Services underspend of £329k

The underspend is mainly as a result of additional penalty charge notices being issued, following the implementation of the ANPR system across the borough (£839k), and P&D income (£481k).

The section has a £1,900k saving this year relating to the review of parking charges, based on an October start date. Cabinet approved a revised set of charges in September and officers are preparing to follow the statutory order making process. The forecast reflects a prudent approach to the delayed implementation, and associated income of £950k.

Included within this forecast is an employee related overspend of £109k due to a combination of savings not yet implemented and increased demand.

There have been delays in implementing all of the parking savings to date. In terms of ANPR, there was an initial assumption that there would be a peak in the processing work and, balanced with on-going compliance, the processing volume would drop. However, although compliance may now be starting to take effect it has not yet occurred to the level expected as processing volumes remain above estimated levels, leading to the need to continue to employ additional agency staff.

Safer Merton & CCTV overspend of £121k

The section is forecasting to overspend on annual network and connection costs by £28k, and by c£40k on one-off CCTV upgrade and relocation costs. In addition, the CCTV section has a 2019/20 saving of £100k relating to charging local businesses for monitoring of their CCTV, which will not be achieved, coupled with the underachievement of its current income budget by £49k.

Elsewhere within the section, underspends on employees (£39k) and income contributions (£56k) are helping to partially mitigate these pressures.

The CCTV budgets are currently being reviewed by the Safer Merton & CCTV manager and the AD of Public Protection in order to mitigate these pressures, which may include an alternative saving being presented to Cabinet in due course.

Public Space

Waste Services overspend of £382k

The section is forecasting to overspend on its employee costs by £116k, which is mainly due to a delay in fully implementing a 2018/19 saving (ENR6), and the temporary employment of a Public Space Inspector for six months to provide greater resilience in the monitoring of our service provider performance.

The section is also forecasting to overspend on its waste collection and street cleansing contract by £342k. This is largely due to the internal debt charge, of £676k for capital spend, along with recharges for additional services being undertaken by the service provider.

These pressures are being partially mitigated by a forecast underspend on disposal costs of £180k. Following the introduction of the new wheelie bin service we have seen a significant reduction in the level of general refuse being collected and disposed of through our energy waste facility at Beddington, alleviating the need for landfill and the associated landfill tax charges.

Over this period, we have seen a 12% reduction in refuse, which equates to a monthly average reduction of over 450 tonnes. The main contributor to this success is the increase in food waste participation which has seen an increase of over 70% or 191 tonnes per month.

Leisure & Culture underspend of £253k

The forecast underspend is mainly as a result of the final year, under the previous contractual agreement, of the profit share arrangement with our service provider for the Leisure Centres Contract (£214k). Changes to this contract came into effect from 1st December 2018, which has resulted in future guaranteed annual income, which has been built into the Medium Term budget. Due to this guaranteed income the likelihood of future profit shares is now unlikely.

Sustainable Communities

Property Management underspend of £269k

The principal reason for the forecast underspend relates to exceeding the commercial rental income expectations by £718k, which includes £150k of one-off income from conducting the backlog of rent reviews in line with the tenancy agreements.

This is being partially offset by an overspend of £319k on premises related expenditure, for example, utility and repairs & maintenance costs. In addition, an overspend of £89k is being forecast relating to external valuations to support asset valuations.

Development & Building Control underspend of £131k

The section is forecasting to over-achieve against their other grants and contributions by £107k, mainly as a result of allowable CIL income to cover the administration and overhead costs associated with managing the levy.

They also expect to overachieve against customer and client receipts income expectations by £55k, mainly within Development Control, as a result of a number of large planning application fees received in the early part of the financial year.

A forecast employee overspend of £83k, as a result of additional resources being provided for the planning enforcement team to enable it to clear the backlog of cases, is partially offsetting these underspends.

Children Schools and Families

Children, Schools and Families	2019/20 Current Budget £000	Full year Forecast Aug £000	Forecast Variance at year end (Aug) £000	Forecast Variance at year end (Jul) £000	2018/19 Variance at year end £000
Education	25,005	25,214	209	420	(37)
Social Care and Youth Inclusion	19,514	21,426	1,912	2,008	3,211
Cross Department budgets	1,029	1,014	(15)	(15)	(20)
PFI	8,573	8,114	(459)	(300)	(354)
Redundancy costs	2,183	1,813	(370)	(370)	(529)
Total (controllable)	56,304	57,581	1,277	1,743	2,271

Overview

At the end of August, Children Schools and Families forecast to overspend by £1.277m on local authority funded services, a reduction in overspend of £466k from July's outturn forecast. The pressure is mainly due to the volatile nature of placement and SEN transport budgets, and the current volume of CSC activity and Education, Health and Care Plan (EHCP) requests. Despite an increasing population, Merton has managed to hold steady our number of children in care through a combination of actions, which are detailed in the management action section below. However, EHCP numbers continue to rise from 1,867 in July to 1,893 in August, an increase of 26.

The CSF department received £500k growth for 2019/20 which was all allocated against the SEN transport cost due to the continuing pressure in this area.

Local Authority Funded Services

The table below details the significant budget variances identified to date:

Description	Budget £000	Aug £000	Jul £000	2018/19 £000
Procurement & School organisation	594	(200)	(186)	(411)
SEN transport	4,705	1,097	1,097	1,223
Early Years services	3,117	(251)	(157)	(349)
CWD team staffing	571	(72)	(100)	(88)
Internal legal hard charge	543	(143)	0	(32)
Other small over and underspends	15,475	(222)	(234)	(380)
Subtotal Education	25,005	209	420	(37)
Fostering and residential placements (ART)	7,111	696	696	1,057
Un-accompanied asylum seeking children (UASC)	75	517	497	488
Community Placement	0	385	385	500
No Recourse to Public Funds (NRPF)	21	141	141	301
MASH & First Response staffing	1,618	267	257	354
Legal costs	526	209	170	280
Other small over and underspends	10,163	(303)	(138)	231
Subtotal Children's Social Care and Youth Inclusion	19,514	1,912	2,008	3,211

Education Division

The procurement and school organisation budget is forecast to underspend by £200k because of lower spend on re-venue-isation budgets. This budget relates to the revenue cost of construction projects and is affected by slippage of capital schemes. The majority of this is used for temporary classrooms usually required due to rising pupil demand when it is not viable to provide permanent buildings.

The SEN transport budget is forecast to overspend by £1.097m. The forecast for maintained school taxis is £3.598m, circa £313k more than last year. This is our best estimate based on the information available at the end of August. A more accurate forecast for the current financial year is expected in October once all the changes of the new academic year have been procured. The current estimated cost does not yet include a forecast for new placements that may be required towards the end of the year. We would expect this cost to increase as we have seen a major increase in the number of EHCPs, although not all plans will necessarily be eligible for support under Merton's transport policy. To support the cost pressure in this area, the £500k growth allocated to the department in 2019/20 has been allocated against this budget. However, this has been insufficient to cover the full extent of the growth in this area.

As part of management action to reduce the overall in-year departmental overspend, where possible in the Early Years' service, recruitment to vacancies is being delayed. At the end of August this is estimated to deliver a £251k underspend.

The Children with Disabilities (CWD) team, which has newly transferred to the Education division, is holding vacant posts which is expected to deliver a £72k underspend in the current financial year. Some of this underspend is being used to offset social work cost pressures in the fostering service.

The internal legal hard charging budget is estimated to underspend by £143k. This is forecast based on spend to date and will fluctuate if usage increases towards year-end.

There are various other small over and underspends forecast across the division netting to a £222k underspend. These combine with the items described above to arrive at the total divisional overspend forecast of £209k.

Children's Social Care and Youth Inclusion Division

At the end of August Merton had 167 looked after children (LAC). This is an increase of 5 children from July. Merton continues to maintain relatively low levels of children in care as detailed in the table below:

Overview	2015/16	2016/17	2017/18	2018/19
Number of children in care as at 31st March	163	152	154	160
Of which UASC	22	20	28	34
Rate per 10,000	35	33	33	34
London Rate	51	50	49	tbc
England Rate	60	62	64	tbc

The complexity of a significant proportion of cases is causing cost pressures as detailed below.

Service	Budget £000	Aug spend £000	Variance		Placements	
			Aug £000	Jul £000	Aug No	Jul No
Residential Placements	2,305	2,005	(300)	(300)	15	14
Independent Agency Fostering	1,753	1,953	200	200	41	35
In-house Fostering	993	1,697	704	704	70	72
Secure accommodation	138	138	0	0	1	0
Mother and baby	103	103	0	0	1	1
Supported lodgings/housing	1,819	1,911	92	92	59	61
Total	7,111	7,807	696	696	187	183

The ART service seeks to make placements with in-house foster carers wherever possible and in line with presenting needs, however, the capacity within our in-house provision and the needs of some looked after children mean that placements with residential care providers or independent fostering agencies are required. Some specific provision is mandated by the courts.

The placement forecasts include a prediction of costs expected for known placements as well as an estimated cost for movement in placements, including new cases expected during the year. These assumptions are reviewed and updated every month and estimates adjusted accordingly to provide our best estimate of full year costs.

- The Residential placement expenditure is forecast to underspend by £300k at the end of the financial year. We currently have 15 residential (including 9 respite). There is an increase of one new placement. The cost difference of the increased placement number is contained within the expected movement built into the full year estimated cost.
- The Independent Agency Fostering expenditure is forecast to overspend by £200k. We currently have 41 placements. There was an increase of 8 new placement from July while 2 placements ended. The cost difference of the increased number of placements are contained within the expected movement built into the full year estimated cost.
- The In-house Foster carer expenditure is forecast to overspend by £704k. We currently have 70 placements. There have been 4 new placements while 6 placements ended during August. The cost difference of this change in placements is contained within the expected movement built into the full year estimated cost.
- The Youth Justice secure accommodation expenditure is projected to spend to budget as at August. We currently have 1 placement but are forecasting for additional placements expected by the end of financial year.
- The mother and baby assessment unit expenditure is forecast to be on budget for the current year.
- We are forecasting that the budget for the semi-independent accommodation and supported lodgings/housing placements will overspend by £92k in August. There has been 1 new placement while 3 placements ended. The cost difference of this change in placements is contained within the expected movement built into the full year estimated cost.
- At the end of August, UASC placements and previous UASC that are now Care Leavers were forecasting to overspend by £517k, up from £497k in July.

Service	Budget £000	Aug spend £000	Variance		Placements	
			Aug £000	Jul £000	Aug No	Jul No
Independent Agency Fostering	380	469	89	89	11	11
In-house Fostering	0	648	648	628	30	29
Supported lodgings/housing	170	675	505	505	23	24
UASC grant	(475)	(1,200)	(725)	(725)		
Total	75	592	517	497	64	64

At the end of August, we had 35 placements for UASC young people under 18. Of these, 31 were placed in foster care and 4 in semi-independent accommodation. This will increase over the next few months due to the administration's commitment (in line with other London Labour Councils) to increase the quota to 37 (0.08% of the child population). Merton receives UASC grant towards these placements although it is not sufficient to cover the full cost.

Merton had 35 young people aged 18+ who were formerly UASC in our care at the end of August, 10 in foster care, 19 in semi-independent accommodation and 6 who received non-accommodation related support. Once UASC young people reach age 18, we retain financial responsibility for them as Care Leavers until their immigration status is agreed.

We are currently forecasting to 'over-achieve' our projected UASC grant income by £725k. This is based on Merton's latest caseloads and taking account of the grant increases confirmed by the Home Office earlier this year. This is offset against the additional costs incurred through having higher numbers of UASC in our care.

We are estimating a £385k spend on the un-budgeted community placement for the current financial year. This includes a £485k estimated cost for 2019/20 reduced by an over accrual in 2018/19 of £100k. The figure is our best current estimate and is subject to change as the case is extremely complex and regularly reviewed. Forecast costs are currently based on an interim arrangement in place while further work is undertaken to secure the appropriate long-term support arrangements, although it may not be possible to establish permanent arrangements until the young person is an adult.

The NRPF budget is forecast to overspend by £141k in the current financial year. This is £160k less than last year's overspend. The NRPF worker is working closely with housing colleagues to manage cases as they arise and also reviews historic cases to identify ones where claimant circumstances have changed and they can therefore be stepped down from services. We continue to use the Connect system to progress cases and continue to review open cases with the aim of limiting the cost pressure on the council. Strong gate-keeping has resulted in a reduction of overall numbers from a peak of 30 in 2016/17 to a current caseload of 6 families where we support 9 children with accommodation and 6 with subsistence.

We are forecasting to overspend by £267k on the MASH and First Response teams' staffing costs. This is because the team is covering 14 vacancies out of an establishment of 30 with agency staff due to difficulty in recruiting permanent members of staff in this area.

Legal costs are forecast to overspend by £209k, £39k more than last month. This cost relates to third party legal fees including Counsel, court and medical fees as well as independent expert witness and Family Drug and Alcohol Court (FDAC) costs. The investment in the FDAC is intended to reduce placement costs due to fewer children coming into care. The evidence is that this is effective in those cases that go through the FDAC process, but that this is more than offset by increases in other placement costs.

There are various other small over and underspends forecast across the division netting to a £303k underspend. These combine with the items described above to arrive at the total divisional forecast overspend of £1.912m.

Dedicated Schools Grant (DSG)

DSG funded services are forecast to overspend by £9.872m, an increase of £689k over last month. The DSG had a cumulative overspend of £2.909m at the end of 2018/19. The overspend in the current financial year will be adding to this balance, currently estimated at £12.781m.

The main reason for the variance relates to a £6.049m overspend on Independent Day School provision. This is a £535k increase from July 2019. The reason for this is the increase in placements from 224 in July to 243 in August. Based on past years' experience, we would expect this number to increase further towards the end of the year. We are seeking to increase the number of local maintained special school places in the borough, in order to reduce these costs, but it will take time to bring these additional places on stream. At present, the annual increase in the number of EHCPs significantly exceeds the number of additional special school places we are able to create in the borough. Based on the number of new EHCPs still being awarded following assessment, we would expect this cost to still increase towards year-end and the £12.781m cumulative deficit to increase further.

Other overspends include £1.013m on EHCP allocations to Merton primary and secondary schools, £1.797m on EHCP allocations to out of borough maintained primary, secondary and special schools, and £1.148m on one-to-one support, OT/SLT and other therapies as well as alternative education.

The table below shows the increase in number of EHCPs over the past 4 years since the entitlement changed following the implementation of the Children and Families Act. At the end of August 2019 there were 1,893 EHCPs, an 11% increase year to date.

Type of Provision	Jan 2016 Total Statements and EHCPs		Jan 2017 Total Statements and EHCPs		Jan 2018 Total Statements and EHCPs		Jan 2019 Total Statements and EHCPs	
	No	%	No	%	No	%	No	%
Early Years (inc. Private & Voluntary Settings)	0	0%	1	0%	7	0%	7	0%
Mainstream Schools (inc. Academies)	422	39%	461	37%	526	35%	584	34%
Additional Resourced Provision	110	10%	111	9%	116	8%	125	7%
State Funded Special Schools	358	33%	388	31%	416	27%	440	26%
Independent Schools	132	12%	153	12%	176	12%	228	13%
Post 16 College and traineeships	25	2%	93	7%	183	12%	212	12%
Post 16 Specialist	10	1%	25	2%	44	3%	37	2%
Alternative Education	15	1%	10	1%	22	1%	28	2%
No placement (including NEET)	3	0%	0	0%	28	2%	51	3%
Total	1075	100%	1242	100%	1518	100%	1712	100%
Change over previous year				16%		22%		13%

There are various other small over and underspends forecast across the DSG netting to a £225k underspend which, combined with the items above, equates to the net overspend of £9.872m. This will be added to Merton's negative reserve and conversations continue with government over the funding of this.

We continue to keep abreast of proposed changes to the National Funding Formula, especially in relation to risks associated with services currently funded by de-delegated elements of the DSG. We are also working with other authorities on the deficit DSG issue and have responded to the national consultation relating to the treatment of DSG deficits.

The Early Years block of the DSG is normally adjusted in the July following the end of the financial year as it is based on January census information. We are therefore not in a position to estimate this adjustment until year-end.

Although the pressures on the high needs block are clear from the budget monitoring figures highlighted above and continue into 2019/20 and beyond, some schools are also having trouble in setting balanced budgets with the funding provided to them through the funding formula. The Finance Service monitors this closely, and before any deficit budget is agreed, work is undertaken with the school to ensure they are maximising every opportunity to reduce costs and spend wisely. The number of schools setting deficit budgets has reduced from 14 in 2018/19 to 13 in 2019/20. There are various reasons for schools requiring to set deficit budgets including unfunded non-teacher pay increases, increased costs relating to children that require additional support but do not meet statutory thresholds for additional funding, reduction in pupil numbers and reduced levels of reserves that schools would previously have used to balance their budgets. Total school balances, including capital balances, did however increase last year.

Merton has been working in conjunction with Association of Directors for Children's Services (ADCS), Society for London Treasurers (SLT), London Councils and the Children's Commissioner to lobby Central Government for additional funding. All commissioned analysis shows that the funding shortfall is a national issue that requires additional grant funding.

Management action

Staffing report

We continue to reduce the use of agency staff by imposing a three-month recruitment drag, where appropriate, for non-social work posts. We continue to prioritise meeting our statutory duties when determining whether recruitment drag may be applied to any vacant post.

Placements

We continue to use the Panel processes to ensure that spending on IFAs instead of in-house placements can be justified, as well as continuing our scrutiny on residential children's home placements.

Our ART Fostering Recruitment and Assessment team is continuing to recruit new foster carers who will offer locally based placements, with a campaign targeted at attracting foster carers for teenagers and UASC young people. We have recruited 5 new foster carers this year so far. However, the target for this financial year is to recruit 20 new foster carers and we are therefore behind target. £14,000 unexpectedly removed from the communications budget, which previously supported fostering recruitment, will further hamper our recruitment efforts.

Our aim is to slow down the increase in more expensive agency foster placements. In addition, we are implementing actions to retain our experienced existing foster carers such as increasing the support offer to them through the trauma based training and support to enable them to take and retain children with more challenging behaviours in placement, and implementing the Mockingbird Model. We are also targeting our recruitment to increase our number of in-house mother and child foster placements.

Our ART Placement service is working with providers to establish more local provision and offer better value placements to the Council. We continue to convene the Semi-Independent Accommodation (SIA) Panel which will record costs incurred. We are working to identify our Housing Benefit payments and what we should be receiving and what we are actually receiving. This work is continuing with the aim of further reducing under-achievement of housing benefits during this year.

We have contracted with a provider to block purchase five independent units for care leavers aged 18+ to act as a step down into permanent independent living. Building on these cost reductions, we expect to be able to procure further placements of this type in 2019/20 and 2020/21.

We have updated our Staying Put policy for young people aged 18+ to enable them to remain with their foster carers in line with statutory requirements and as recommended by Ofsted in our inspection. However, the increased use of Staying Put for young people aged 18+ impacts on available placements for younger teenagers, therefore highlighting again the need for targeted recruitment for foster carers for teenager and UASC young people. We continue to focus our foster carer recruitment on carers for teenagers to mitigate these potential additional costs.

Our average placements costs against each budget code are reported each month. Due to the low numbers in secure accommodation units, small changes in numbers result in large variations in the average weekly unit costs as detailed in the following table.

Description	Feb	March	May	June	July	Aug	Movement from last month	Aug
	£	£	£	£	£	£	£	No
ART Independent Agency Fostering	907	900	879	854	889	898	9	41
ART In-house Fostering	444	440	438	443	430	428	-2	69
UASC Independent Agency (Grant)	804	803	822	822	821	821	0	11
UASC In house Fostering (Grant)	494	490	410	388	452	419	-33	20
UASC Independent Agency (Non-Grant)	806	237	802	802	802	802	0	0
UASC In house Fostering (Non-Grant)	484	589	409	417	405	426	21	10
ART Residential Placements	3,974	3,978	3,919	3,887	3,886	3,916	30	15
ART Secure Accommodation	2,841	3,374	1,323	1,890	1,890	2,457	567	1
ART Mother & Baby Unit	3,749	3,589	4,204	4,204	3,401	3,401	0	1
Supported Housing & Lodgings (Art 16+ Accommodation)	640	585	611	619	627	652	25	59
Supported Housing & Lodgings - UASC (Grant)	779	782	788	736	687	687	0	4
Supported Housing & Lodgings - UASC (Non Grant)	448	642	451	410	400	427	27	20

Children with additional needs

We are working with colleagues in CCGs through the tripartite process in order to secure appropriate health contribution to funding for children with complex needs, particularly through continuing healthcare (CHC) funding. This is an area we need to improve, with closer working with the CCG a focus going forward. This will mainly affect the CWD budget as many of the children discussed will be placed at home with shared packages of care. Details of any arrangements made will be recorded and reflected in budget returns.

We have tried to reduce costs associated with SEND transport through a number of strategies but this is a continuing challenge with the increasing numbers of children eligible for this service. Strategies introduced include: the introduction of a dynamic taxi purchasing system; the re-provisioning of taxi routes to ensure best value for money; the introduction of bus pick up points where appropriate; promotion of independent travel training and personal travel assistance budgets where this is option is cheaper.

We have a multi-agency SEND panel providing strategic oversight of the statutory assessment process to ensure that at both a request for assessment stage, and the agreement of a final EHCP, criteria and thresholds are met and the best use of resources is agreed.

To limit the increased costs to the DSG High Needs block, of the increased number of children with EHCPs, we have expanded existing specialist provision and have approved a contract to expand Cricket Green special school. We have increased Additionally Resourced Provision (ARP) in Merton mainstream schools and have further plans for new ARP provision and expansion of existing bases. Additional local provision should also assist with minimising increases to transport costs.

We are also part of a South West London consortium, which uses a dynamic purchasing system for the commissioning of specialist independent places. This enables LAs together to challenge any increases in cost and ensure best value for money in the costs of these placements, although there is evidence that other LAs are not making best use of this and it is likely to be decommissioned.

New burdens

There are a number of duties placed on the Local Authority that have not been fully funded or not funded at all through additional burdens funding from Central Government. Excluding the cost of these duties would leave a net departmental underspend of £198k; however that figure masks substantial one off windfalls and non-recurrent and recurrent management action. The table below highlights the continued estimated overspends relating to these unfunded duties:

Description	Budget £000	Aug overspend forecast £000	Jul overspend forecast £000	2018/19 over £000
Supported lodgings/housing- care leavers	1,819	92	92	52
Supported lodgings/housing- UASC	170	505	505	774
UASC	380	737	717	211
No Recourse to Public Funds (NRPF)	21	141	141	301
Total	2,390	1,475	1,455	1,338

The above table summarises the placement cost in relation to additional burdens. On top of these costs there will also be staffing costs to support these cases.

Following changes introduced through the Children & Social Work Act, local authorities took on new responsibilities in relation to children in care and care leavers. Local authorities are required to offer support from a Personal Adviser to all care leavers to age 25. There has been no on-going funding for the additional work required.

Other unfunded burdens include:

- The increase in the age range of EHCPs, particularly for those young people aged 18-25, due to legislation changes, which is causing cost pressures in both the general fund (in education psychology and SEN transport) and the DSG (High Needs Block costs relating to most EHCP services);
- New statutory duties in relation to children missing from education have increased the cases dealt with by the Education Welfare Service by 79% (from 290 in the 6 months from September to March 2016 to 519 in the same 6 months the following year and the level of referrals has remained at this level).
- SEND tribunals will cover all elements of children care packages, not just education.
- New requirement of social work visits to children in residential schools and other provision.

Further new burdens are expected for 2019/20 including the DfE requirement for new assessment process for all social workers (National Assessment and Accreditation System).

Community and Housing

Overview

Community and Housing is currently forecasting an overspend of £209k as at August 2019 which is a decrease of £125k since July's forecast.

There are forecast overspends in Adult Social Care £251k, Libraries £47k, and Public Health £12k. Merton Adult Learning expects to achieve a breakeven position and Housing is forecasting an underspend of £101k.

Community and Housing Summary Outturn Position

Community and Housing	2019/20 Current Budget £000	2019/20 Forecast Spend £'000	2019/20 Forecast Variance (Aug'19) £000	2019/20 Forecast Variance (July'19) £000	2018/19 Outturn Variance £000
Access and Assessment	45,199	45,147	(52)	(33)	(258)
Commissioning	4,449	4,356	(93)	(73)	(5)
Direct Provision	4,700	4,812	112	106	6
Directorate	1,142	1,425	283	149	90
Adult Social Care	55,490	55,740	250	149	(167)
Libraries and Heritage	2,186	2,233	47	50	45
Merton Adult Learning	(8)	(8)	0	0	0
Housing General Fund	1,905	1,804	(101)	108	(73)
Other Services Sub-total	4,083	4,029	(54)	158	(28)
Public Health	(148)	(136)	12	27	0
Grand Total Controllable	59,425	59,634	209	334	(195)

Adult Social Care

Access & Assessment - £52k underspend

This service is currently forecasting an underspend of £52k due to the net effect of the reduction in forecasted expenditure on placements; increase in the overspend on equipment and other minor movements.

Client income continues to fall despite improvements in the financial assessment process. This is subject to further investigation, but in part is due to the strategy of keeping people at home. Service users make larger contributions to the costs of residential care than to care at home, as they are expected to make contributions to the 'hotel costs'. This is offset by reduced costs paid by the council. However, there appears to be a greater trend for reduced client contributions which is being reviewed.

Winter planning with health is well under way. We have allocated Winter Grant to additional short-term capacity and investment in the voluntary sector. With hospitals already operating at near capacity, it is expected to be a challenging period. Social care-caused delayed transfers of care remain good and below the nationally set target. However, health-caused delays have risen which will put the Merton system under scrutiny. The service will need to work hard to maintain our current good performance.

The recent spending round announcement by the government continued the short-term allocations via the Improved Better Care Fund (IBCF), the precept and a new grant to support Adults and Children's services. This announcement, though welcomed, prevents the department and Merton to plan effectively for the long term due to the uncertainty surrounding the source and level of social care funding post 2020.

The current year budget is supported by the short term IBCF funding as per the grant requirements.

It is important to note that included in Adult Social Care income is £300k Independent Living Fund (ILF) grant, which ceases next year; thus from 2020-21 this will be an additional pressure as it currently supports the cost of previous ILF customers costing the service £800k per annum.

The table below shows significant movement in budget variances in the Access & Assessment division

Access & Assessment	Forecast Variance Aug'19 £000	Forecast Variance July'19 £000	Outturn Variances March 19 £000
Underspend on Concessionary Fares-(taxi-cards scheme)	(92)	(92)	(42)
Equipment	103	84	95
Other- Incl. (Employee Related & Premises)	(138)	(125)	(104)
Placements & Placements Other	1,807	1,982	1,111
Income (IBCF & ILF)	(1,732)	(1,882)	(1,318)
Total Controllable	(52)	(33)	(258)

This service is currently undergoing a restructure as part of its transformation programme.

Direct Provision-£112k overspend

The Direct Provision service is currently forecasting an overspend of £112k to August 2019 which is an increase of £6k since July 2019. This is due to the provision of 1 to 1 service to a client at the Leyton Road day centre and overtime at the Riverside residential home.

C&H-Other Services

Libraries-£47k overspend

The library service is currently forecasting an overspend of £47k which is largely due to an increase in the contract costs for security services and utilities costs across the library service. The service continues to closely monitor its budgets and is working to increase income to try to reduce the overspend.

Merton Adult Learning continues to forecast a breakeven position.

Housing - £101k underspend

This service is forecasting an underspend of £101k which is largely due to an increase in its forecasted income from housing benefit, and a correspondingly expected increase in the related housing benefit subsidy.

It should be noted that housing benefit income is higher than expected again this month.

Income and subsidy costs are affected by the fluctuation in the number of households accessing the service in accordance with the provisions of the Housing Act.

It remains the case that this budget will be subjected to fluctuations to reflect numbers of households being admitted into temporary accommodation, numbers of households leaving temporary accommodation and the income received from households living in temporary accommodation via Housing Benefit and the corresponding budget implications flowing from temporary accommodation subsidy.

Since the introduction of the Homelessness Reduction Act 2017 (HRA), the service is required by statute to deliver homelessness prevention activities (now referred to as 'Prevention & Relief Duties'). Accordingly, the prevention of homelessness remains a central plank to the work of the team and contributes to the wider council prevention agenda, which is seeking to ensure that households are able to continue to occupy their homes and avoid the trauma that a homelessness episode brings.

The council continues to maintain its position of having the lowest number of households in temporary accommodation than any other London borough.

The service continues to utilise secured grant funding to undertake various projects such as a rough sleeping initiative in Merton, outreach, rough sleepers hub and accommodation assistance..

Prevention Activities undertaken as part of the New Burdens for Housing

Activities undertaken to prevent homelessness:-

- Rent rescue
- Rent Deposits
- Landlord liaison and negotiation with excluder
- Referrals to landlords, hostels and supported housing providers
- Legal advice on security of tenure, i.e. non-compliant s21 Housing Act 1988 notices
- Advice on prevention from eviction and landlord harassment
- Advice on income maximisation and welfare benefits

The table below shows the number of homelessness prevented to August 2019

Period	Homelessness Prevention Targets 2019-20
Full Year Target	450
Target YTD	187
Achieved – Apr'19	57
Achieved - May'19	86
Achieved – June'19	118
Achieved – July'19	152
Achieved – Aug'19	193

The service has achieved 43% of its annual target to date and exceeded its target to date.

Analysis of Housing and Temporary Accommodation Expenditure

The table below shows the analysis of housing expenditure to August 2019

Housing	Budget 2019/20 £000	Forecast (Aug'19) £'000	Forecast Variances (Aug'19) £'000	Forecast Variances (July'19) £000	Outturn Variances (March'19) £000
Temporary Accommodation-Expenditure	2,368	2,956	588	588	562
Temporary Accommodation-Client Contribution	(140)	(552)	(412)	(412)	(518)
Temporary Accommodation-Housing Benefit Income	(2,005)	(2,535)	(530)	(229)	(26)
Temporary Accommodation-Subsidy Shortfall	322	1,092	771	665	455
Temporary Accommodation-Grant	0	(450)	(450)	(450)	(531)
Subtotal Temporary Accommodation	544	511	(33)	163	(58)
Housing Other Budgets-Over/(under)spend	1,361	1,293	(68)	(55)	(15)
Total Controllable	1,905	1,804	(101)	108	(73)

The change in variance between August and July is mainly due to an increase in housing benefit income and subsidy.

Temporary Accommodation (TA) movement to August 2019

The data below shows the total number of households (i.e. families and single occupants) in temporary accommodation as at August 2019.

Temporary Accommodation	Numbers IN	Numbers OUT	Total for the Month	2018/19
March 2017	-	-	186	
March 2018	16	16	165	
March 2019	15	11	174	
April 2019	15	11	178	170
May 2019	15	16	177	175
June 2019	11	18	170	172
July 2019	16	20	166	175
August 2019	16	14	168	176

The above data shows that in comparison to the first 5 months in 2018-19 the number of clients in temporary accommodation has declined.

Public Health - £12k overspend

This service is currently forecasting an overspend as at August 2019 of £12k, which is a reduction since July. This has been achieved by reducing the period to be covered by the agency interim staff.

The overspend in public health is due to the additional costs of maternity cover for the Children's Senior Public Health Principal and interim Children's Commissioning Officer pending recruitment.

Corporate Items

The details comparing actual expenditure up to 31 August 2019 against budget are contained in Appendix 2. Based on expenditure and income as at 31 August 2019 there is an underspend of £0.987m forecast on corporate items as summarised in the following table:-

Corporate Items	Current Budget 2019/20 £000s	Full Year Forecast (Aug.) £000s	Forecast Variance at year end (Aug) £000s	Forecast Variance at year end (July) £000s	Outturn Variance 2018/19 £000s
Impact of Capital on revenue budget	10,481	10,481	0	0	403
Investment Income	(664)	(977)	(313)	(313)	(364)
Pension Fund	3,429	3,329	(100)	(100)	(254)
Pay and Price Inflation	450	450	0	0	(1,122)
Contingencies and provisions	4,510	4,183	(327)	(327)	(3,366)
Income Items	(1,503)	(1,749)	(246)	(246)	(956)
Appropriations/Transfers	(3,998)	(3,998)	0	0	(6)
Central Items	2,224	1,238	(987)	(987)	(6,068)
Levies	949	949	0	0	0
Depreciation and Impairment	(22,903)	(22,903)	0	0	4
TOTAL CORPORATE PROVISIONS	(9,249)	(10,236)	(987)	(987)	(5,661)

Although there is no change to the forecast variance of £0.987m at year end, the figures in the table above have been adjusted to reflect the transfer of the following amounts, where budgets are planned to be available, to the Spending Review Reserve to provide for a potential contribution from the Council's General Fund resources for New Burdens funding to offset the DSG Deficit, subject to clarification from legal, Department for Education and CIPFA :-

Corporate pay provision	£000 842
Corporate contingency	250
Single Status/Equal pay	50
Total	1,142

The addition of these amounts will increase the balance on the Spending Review Reserve to £4.242m.

4 Capital Programme 2019-23

4.1 The Table below shows the movement in the 2019/23 corporate capital programme since the last meeting of Cabinet:

Depts	Current Budget 19/20	Variance	Revised Budget 19/20	Current Budget 20/21	Variance	Revised Budget 20/21	Revised Budget 21/22	Variance	Revised Budget 21/22	Revised Budget 22/23	Variance	Revised Budget 22/23
CS	10,170	(201)	9,969	26,127	201	26,328	3,945	0	3,945	15,967	0	15,967
C&H	1,196	0	1,196	1,118	0	1,118	913	0	913	882	0	882
CSF	9,523	0	9,523	5,606	0	5,606	3,150	0	3,150	1,900	0	1,900
E&R	14,673	40	14,713	8,207	52	8,259	7,504	0	7,504	4,401	0	4,401
TOTAL	35,562	(161)	35,401	41,058	253	41,311	15,512	0	15,512	23,149	0	23,149

4.2 The table below summarises the position in respect of the 2018/19 Capital Programme as at August 2019. The detail is shown in Appendix 5.

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Corporate Services*	900,378	1,087,350	(186,972)	9,968,690	9,968,690	0
Community and Housing	353,898	280,000	73,898	1,196,240	996,240	(200,000)
Children Schools & Families*	3,481,643	3,796,750	(315,107)	9,522,450	9,522,010	(440)
Environment and Regeneration	1,554,336	2,266,659	(712,323)	14,713,440	14,708,440	(5,000)
Total	6,290,254	7,430,759	(1,140,505)	35,400,820	35,195,380	(205,440)

*Outstanding MIB Schemes from 05-09-2019 for CSF Digital Scanning and RSP IT Enhancements

- Corporate Services – All budget managers are projecting a full spend against budget. The following one budget has been re-profiled from 2019-20 to 2020-21, this for Civic Centre – Boilers £201,480.
- Community and Housing – All budget managers are projecting a full year spend apart from West Barnes Library Re-Fit which is showing a £200k underspend. Officers are currently considering how best to progress this scheme and will profile the budget spend once this is decided as part of September/October monitoring. There are no proposed amendments to departmental budgets this month.
- Children, Schools and Families – Officers are projecting a full spend on all budgets, pending a review of remaining priority capital maintenance works that can be undertaken in term time. There have been two virement:
 - £41k has been vired from Cranmer to Melbury College – Smart Centre to cover variances in capital maintenance projected expenditure.
 - £15k has been vired from Haslemere to Richards Lodge to cover variances in capital maintenance projected expenditure.
- Environment and Regeneration – Officers are projecting a full spend on all budgets apart from Alley Gating which is currently projecting a £5k underspend. The following adjustments have been made to budgets this month:
 - Cycle Route Improvements – TfL Cycle Quietways has been reduced by £8k reflecting an adjustment in funding from the TfL.

- Mitcham Transport Improvements - Mitcham Town Centre £43k has been re-profiled from 2020-21 to 2019-20
- Borough Regeneration – Christmas Lights all the £95k budget has been re-profiled from 2019-20 to 2020-21 due to delays in tendering.
- Highways and Footways – Traffic Schemes has been increased by £100k funded by TfL.

There is the possibility that additional funding may be required for the Bishopsford Road Bridge, sources of funding to be determined by the outcome of a review currently being undertaken. Regular updates will be provided as part of the monitoring report. Any liability falling on the Authority could be funded from the Corporate Capital Contingency, which totals £4.8 million and is currently held in the financial year 2022-23.

4.3 The table below summarises the movement in the Capital Programme for 2019/20 since its approval in March 2019:

Depts.	Original Budget 19/20	Net Slippage 2018/19	Adjustments	New External Funding	New Internal Funding	Re-profiling	Revised Budget 19/20
Corporate Services	28,857	1,686			60	(20,634)	9,969
Community & Housing	971	225					1,196
Children Schools & Families	10,203	566		555	50	(1,851)	9,523
Environment and Regeneration	13,498	404		398	359	54	14,713
Total	53,529	2,881	0	953	469	(22,431)	35,401

4.4 The table below compares capital expenditure (£000s) to July 2019 to that in previous years':

Depts.	Spend To August 2016	Spend To August 2017	Spend to August 2018	Spend to August 2019	Variance 2016 to 2019	Variance 2017 to 2019	Variance 2018 to 2019
CS	568	714	1,879	900	332	186	(978)
C&H	119	174	408	354	235	180	(54)
CSF	2,032	1,213	2,066	3,482	1,450	2,268	1,415
E&R	4,343	3,368	5,042	1,554	(2,789)	(1,814)	(3,487)
Total Capital	7,062	5,469	9,395	6,290	(772)	821	(3,105)

Outturn £000s	30,626	32,230	31,424	
Budget £000s				35,401
Projected Spend August 2019 £000s				35,195
Percentage Spend to Budget				17.77%
% Spend to Outturn/Projection	23.06%	16.97%	29.90%	17.87%
Monthly Spend to Achieve Projected Outturn £000s				4,129

4.5 August is five months into the financial year and departments have spent just under 18% of the budget. Spend to date is lower than two of the three previous financial years shown.

Department	Spend To July 2019 £000s	Spend To August 2019 £000s	Increase £000s
CS	400	900	500
C&H	262	354	92
CSF	3,016	3,482	465
E&R	903	1,554	651
Total Capital	4,582	6,290	1,709

4.6 During August 2019 officers spent £1.709 million, which highlights that it is highly unlikely that a projected Authority wide spend of just over £35 million will be achieved. Time will be spent with budget managers to re-profile budgets into subsequent financial years.

5. DELIVERY OF SAVINGS FOR 2019/20

Department	Target Savings 2019/20	Projected Savings 2019/20	Period 5 Forecast Shortfall	Period Forecast Shortfall (P5)	Period 4 Forecast Shortfall	2020/21 Expected Shortfall
	£000	£000	£000	%	£000	£000
Corporate Services	1,484	1,391	93	6.3%	45	35
Children Schools and Families	572	572	0	0.0%	0	0
Community and Housing	1,534	1,413	121	7.9%	151	0
Environment and Regeneration	3,370	2,101	1,269	37.7%	1,234	130
Total	6,960	5,477	1,483	21.3%	1,430	165

Appendix 6 details the progress on savings for 2019/20 by department.

Progress on savings 2018/19

Department	Target Savings 2018/19	2018/19 Shortfall	2019/20 Projected shortfall	2020/21 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,024	505	395	10
Children Schools and Families	489	0	0	0
Community and Housing	2,198	442	0	0
Environment and Regeneration	926	523	147	47
Total	5,637	1,470	542	57

Appendix 7 details the progress on unachieved savings from 2018/19 by department and the impact on the current year and next year.

Progress on savings 2017/18

Department	Target Savings 2017/18	2017/18 Shortfall	2018/19 shortfall	2019/20 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,316	196	0	0
Children Schools and Families	2,191	7	0	0
Community and Housing	2,673	0	0	0
Environment and Regeneration	3,134	2,188	694	305
Total	10,314	2,391	694	305

Appendix 8 details the progress on unachieved savings from 2017/18 by department and the impact on the current year and next year.

6. CONSULTATION UNDERTAKEN OR PROPOSED

6.1 All relevant bodies have been consulted.

7. TIMETABLE

7.1 In accordance with current financial reporting timetables.

8. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

8.1 All relevant implications have been addressed in the report.

9. LEGAL AND STATUTORY IMPLICATIONS

9.1 All relevant implications have been addressed in the report.

10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

10.1 Not applicable

11. CRIME AND DISORDER IMPLICATIONS

11.1 Not applicable

12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

12.1 The emphasis placed on the delivery of revenue savings within the financial monitoring report will be enhanced during 2016/17; the risk of part non-delivery of savings is already contained on the key strategic risk register and will be kept under review.

13. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix 1-	Detailed position table
Appendix 2 –	Detailed Corporate Items table
Appendix 3 –	Pay and Price Inflation
Appendix 4 –	Treasury Management: Outlook
Appendix 5a -	Current Capital Programme 2019/20
Appendix 5b -	Detail of Virements
Appendix 5c -	Summary of Capital Programme Funding
Appendix 6 –	Progress on savings 2019/20
Appendix 7 –	Progress on savings 2018/19
Appendix 8 -	Progress on savings 2017/18

14. BACKGROUND PAPERS

14.1 Budgetary Control files held in the Corporate Services department.

15. REPORT AUTHOR

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APPENDIX 1

Summary Position as at 31st August 2019

	Original Budget 2019/20 £000s	Current Budget 2019/20 £000s	Year to Date Budget (Aug) £000s	Year to Date Actual (Aug) £000s	Full Year Forecast (Aug) £000s	Forecast Variance at year end (Aug) £000s	Forecast Variance at year end (July) £000s	Outturn variance 2018/19 £000
Department								
3A. Corporate Services	10,930	11,351	10,592	10,259	10,922	(429)	(497)	(2,511)
3B. Children, Schools and Families	60,819	61,415	19,554	10,499	62,692	1,277	1,743	2,271
<u>3C. Community and Housing</u>								
Adult Social Care	58,657	58,655	23,006	26,330	58,905	250	149	(169)
Libraries & Adult Education	2,878	2,878	1,391	1,820	2,925	47	50	45
Housing General Fund	2,219	2,219	556	1,052	2,118	(101)	108	(73)
3D. Public Health	0	0	(780)	(1,999)	12	12	27	0
3E. Environment & Regeneration	15,832	15,996	2,766	(9,629)	15,676	(320)	(393)	(1,526)
Overheads	0	0	0	0	0	0	0	(33)
NET SERVICE EXPENDITURE	151,335	152,514	57,085	38,332	153,251	737	1,187	(1,996)
<u>3E. Corporate Items</u>								
Impact of Capital on revenue budget	10,481	10,481	2,631	2,134	10,481	0	0	403
Other Central items	(19,500)	(20,679)	(4,162)	(707)	(21,666)	(987)	(987)	(6,064)
Levies	949	949	384	384	949	0	0	0
TOTAL CORPORATE PROVISIONS	(8,070)	(9,249)	(1,147)	1,810	(10,236)	(987)	(987)	(5,661)
TOTAL GENERAL FUND	143,264	143,265	55,937	40,143	143,015	-250	200	(7,657)
Funding								
- Business Rates	(44,026)	(44,026)	0	0	(44,026)	0	0	0
- RSG	0	0	0	0	0	0	0	0
- Section 31 Grant	0	0	(1,715)	(1,715)	0	0	0	0
- New Homes Bonus	(2,108)	(2,108)	(1,054)	(1,054)	(2,108)	0	0	0
- PFI Grant	(4,797)	(4,797)	(1,199)	(1,199)	(4,797)	0	0	0
- Brexit Grant	(210)	(210)	(105)	(105)	(210)	0	0	0
- Adult Social Care Grant	(1,054)	(1,054)	(2,558)	(2,558)	(1,054)	0	0	0
Grants	(52,195)	(52,195)	(6,632)	(6,632)	(52,195)	0	0	-
Collection Fund - Council Tax Surplus(-)/Deficit	(1,949)	(1,949)	0	0	(1,949)	0	0	0
Collection Fund - Business Rates Surplus(-)/Deficit	3,250	3,250	0	0	3,250	0	0	0
Council Tax								
- General	(92,028)	(92,028)	0	0	(92,028)	0	0	0
- WPC	(343)	(343)	0	0	(343)	0	0	0
Council Tax and Collection Fund	(91,070)	(91,070)	0	0	(91,070)	0	0	-
FUNDING	(143,265)	(143,265)	(6,632)	(6,632)	(143,265)	0	0	-
NET	(0)	0	49,306	33,511	(250)	(250)	200	(7,657)

Appendix 2

3E. Corporate Items	Council 2019/20 £000s	Original Budget 2019/20 £000s	Current Budget 2019/20 £000s	Year to Date Budget (Aug.) £000s	Year to Date Actual (Aug.) £000s	Full Year Forecast (Aug.) £000s	Forecast Variance at year end (Aug) £000s	Forecast Variance at year end (July) £000s	Outturn Variance 2018/19 £000s
Cost of Borrowing	10,481	10,481	10,481	2,631	2,134	10,481	0	0	403
Impact of Capital on revenue budget	10,481	10,481	10,481	2,631	2,134	10,481	0	0	403
Investment Income	(664)	(664)	(664)	(277)	(369)	(977)	(313)	(313)	(364)
Pension Fund	3,429	3,429	3,429	0	0	3,329	(100)	(100)	(254)
Corporate Provision for Pay Award	877	877	0		0	0	0	0	(744)
Provision for excess inflation	450	450	450		0	450	0	0	(378)
Pay and Price Inflation	1,327	1,327	450	0	0	450	0	0	(1,122)
Contingency	1,500	1,500	1,250		0	1,250	0	0	(1,398)
Single Status/Equal Pay	100	100	50		0	50	0	0	(84)
Bad Debt Provision	500	500	500		0	500	0	0	(33)
Loss of income arising from P3/P4	200	200	200		0	100	(100)	(100)	(200)
Loss of HB Admin grant	83	83	34		0	0	(34)	(34)	(83)
Apprenticeship Levy	450	450	450	113	132	450	0	0	(217)
Revenuisation and miscellaneous	2,070	2,070	2,026		55	1,833	(193)	(193)	(1,351)
Contingencies and provisions	4,904	4,904	4,510	113	187	4,183	(327)	(327)	(3,366)
Other income	0	0	0	0	(246)	(246)	(246)	(246)	(953)
CHAS IP/Dividend	(1,407)	(1,407)	(1,503)		(250)	(1,503)	0	0	(3)
Income items	(1,407)	(1,407)	(1,503)	0	(496)	(1,749)	(246)	(246)	(956)
Appropriations: CS Reserves	(711)	(711)	(940)	(940)	(229)	(940)	0	0	0
Appropriations: E&R Reserves	(146)	(146)	(311)	(311)	0	(311)	0	0	0
Appropriations: CSF Reserves	9	9	(586)	(586)	(976)	(586)	0	0	0
Appropriations: C&H Reserves	(104)	(104)	(104)	(104)	0	(104)	0	0	0
Appropriations: Public Health Reserves	(1,200)	(1,200)	(1,200)	(1,200)	0	(1,200)	0	0	0
Appropriations: Corporate Reserves	(2,034)	(2,034)	(857)	(857)	1,177	(857)	0	0	(6)
Appropriations/Transfers	(4,186)	(4,186)	(3,998)	(3,998)	(29)	(3,998)	0	0	(6)
Depreciation and Impairment	(22,903)	(22,903)	(22,903)	0	0	(22,903)	0	0	4
Central Items	(9,019)	(9,019)	(10,198)	(1,531)	1,426	(11,185)	(987)	(987)	(5,661)
Levies	949	949	949	384	384	949	0	0	0
TOTAL CORPORATE PROVISIONS	(8,070)	(8,070)	(9,249)	(1,147)	1,810	(10,236)	(987)	(987)	(5,661)

Pay and Price Inflation as at August 2019

In 2019/20, the budget includes 2.8% for increases in pay and 1.5% for increases in general prices, with an additional amount, currently £0.450m, which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. With CPI inflation currently at 1.7% and RPI at 2.6% this budget will only be released when it is certain that it will not be required.

Pay:

The local government pay award for 2019/20 was agreed in April 2018 covering 2018/19 and 2019/20. For the lowest paid (those on spinal points 6-19) this agreed a pay rise of between 2.9% and 9.2%. Those on spinal points 20-52 received 2%.

Prices:

The Consumer Prices Index (CPI) 12-month rate was 1.7% in August 2019, down from 2.1% in July 2019. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 1.7% in August 2019, down from 2.0% in July 2019. The largest downward contributions to the change were from a range of recreational and cultural goods and services (principally games, toys and hobbies, and cultural services), clothing and sea fares. There were rises in air fares which resulted in the largest factor to offset the reduction. The RPI rate for August 2019 was 2.6%, which is down from the figure of 2.8% in July 2019.

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. At its meeting ending on 18 September 2019, the MPC voted unanimously to maintain Bank Rate at 0.75%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

In the minutes to its September meeting, the MPC note that "Since the MPC's previous meeting, the trade war between the United States and China has intensified, and the outlook for global growth has weakened. Monetary policy has been loosened in many major economies. Shifting expectations about the potential timing and nature of Brexit have continued to generate heightened volatility in UK asset prices, in particular the sterling exchange rate has risen by over 3½%. Brexit-related developments are making UK economic data more volatile, with GDP falling by 0.2% in 2019 Q2 and now expected to rise by 0.2% in Q3. The Committee judges that underlying growth has slowed, but remains slightly positive, and that a degree of excess supply appears to have opened up within companies."

Employment and pay growth may be a key factor as the MPC recognise that "CPI inflation fell to 1.7% in August, from 2.1% in July, and is expected to remain slightly below the 2% target in the near term. The labour market appears to remain tight, with the unemployment rate having been just under 4% since the beginning of this year. Annual pay growth has strengthened further to the highest rate in over a decade. Unit wage cost growth has also risen, to a level above that consistent with meeting the inflation target in the medium term. The labour market does not appear to be tightening further, however, with official and survey measures of employment growth softening."

However, short-term policy may be heavily influenced by the outcome of Brexit negotiations and the MPC note that "In the event of a no-deal Brexit, the exchange rate would probably fall, CPI inflation rise and GDP growth slow. The Committee's interest rate decisions would need to balance the upward pressure on inflation, from the likely fall in sterling and any reduction in supply

capacity, with the downward pressure from any reduction in demand. In this eventuality, the monetary policy response would not be automatic and could be in either direction.”

The minutes of the next meeting of the MPC will be published on 7 November 2019.

The latest Inflation Report was published on the 1 August 2019.

In the August 2019 Inflation Report, the MPC noted that “CPI inflation was at the 2.0% target in June and is projected to fall below the target over the next six months as energy prices decline. From next year inflation is expected to pick up as the impact of lower energy prices fades, sterling’s recent depreciation pushes up import prices, and domestic inflationary pressures rise.” In terms of the prospects for inflation, the MPC are heavily caveated to take account of Brexit. The MPC sum up their view as follows:-

“Underlying UK GDP growth has softened to below-potential rates, reflecting weaker global growth as well as the impact of Brexit-related uncertainties. Growth is expected to remain subdued in coming quarters, as those uncertainties have intensified over the past few months and are assumed to remain elevated in the near term. CPI inflation is projected to fall temporarily below the MPC’s 2% target over the second half of 2019 as energy prices decline. Conditioned on a smooth withdrawal of the UK from the EU, Brexit-related uncertainties are assumed to subside over the forecast period. Together with a boost from looser monetary conditions, the decline in uncertainties leads to a recovery in demand growth to robust rates. As a result, excess demand and domestic inflationary pressures build. CPI inflation picks up to materially above the MPC’s 2% target by the end of the forecast period. The MPC’s projections are affected by an inconsistency between the asset prices on which they are conditioned — which reflect a higher perceived probability of a no-deal Brexit among financial market participants — and the smooth Brexit assumption underlying the central forecasts. In the event of a Brexit deal, sterling would be likely to appreciate and market interest rates and UK-focused equity prices to rise.”

The latest inflation and unemployment forecasts for the UK economy, based on a summary of independent forecasts are set out in the following table:-

Forecasts for the UK Economy

Source: HM Treasury - Forecasts for the UK Economy (September 2019)			
	Lowest %	Highest %	Average %
2019 (Quarter 4)			
CPI	1.5	2.5	1.8
RPI	2.2	3.4	2.6
LFS Unemployment Rate	3.8	4.3	4.0
2020 (Quarter 4)			
CPI	1.7	3.3	2.1
RPI	2.2	4.2	2.9
LFS Unemployment Rate	3.6	5.9	4.2

Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2019 to 2023 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (August 2019)					
	2019	2020	2021	2022	2023
	%	%	%	%	%
CPI	1.9	2.0	2.0	2.1	2.1
RPI	2.7	2.8	3.0	3.2	3.2
LFS Unemployment Rate	3.9	4.1	4.3	4.3	4.3

Treasury Management: Outlook

At its meeting ending on 18 September 2019, the MPC voted unanimously to maintain Bank Rate at 0.75%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

In the minutes to its September meeting the MPC state that “Shifting expectations about the potential timing and nature of Brexit had continued to generate heightened volatility in UK asset prices. The sterling exchange rate and market forward pricing of Bank Rate had both risen as the perceived probability of a no-deal Brexit had fallen. The implied probability of the United Kingdom leaving the European Union with a deal this year had also increased more recently. Sterling implied volatilities had remained at elevated levels. Brexit-related developments, such as stock building and shutdowns in car production around previous Brexit deadlines, were making UK economic data more volatile. GDP had fallen by 0.2% in 2019 Q2 and was now expected to rise by 0.2% in Q3, compared with 0.3% at the time of the August Report...Brexit uncertainties, and more recently the slowing global economy, had weighed on business investment, which had now declined in five of the past six quarters. There had been a rise in the proportion of respondents to the Decision Maker Panel (DMP) reporting that Brexit was one of their top three sources of uncertainty. The weaker global backdrop was weighing on exports. Consumption growth had remained resilient, however, supported by continued growth in real household income.”

The outlook for interest rates looking forward will be heavily dependent on the Brexit outcome. However, the MPC note that “In the event of greater clarity that the economy was on a path to a smooth Brexit, and assuming some recovery in global growth, a significant margin of excess demand was likely to build in the medium term. Were that to occur, the Committee judged that increases in interest rates, at a gradual pace and to a limited extent, would be appropriate to return inflation sustainably to the 2% target. In all circumstances, the Committee would set monetary policy appropriately to achieve the 2% inflation target.”

The minutes of the next meeting of the MPC will be published on 7 November 2019.

The Bank of England published its August 2019 Inflation Report on 1 August 2019.

The August Inflation report states that “As in previous Reports, and consistent with the general approach to condition forecasts on Government policy, the MPC’s projections assume a smooth transition to the average of a range of possible outcomes for the United Kingdom’s eventual trading relationship with the European Union. Consistent with that conditioning assumption, Brexit uncertainties are assumed to wane over the second half of the forecast period. All else equal, this boosts GDP growth and inflation. The projections are also conditioned on a range of UK asset prices. Over the past few months, monetary conditions have loosened. The market yield curve currently implies that Bank Rate is expected to fall in the near term, and ends the forecast period at 0.6% (to Quarter 3, 2022), around 40 basis points lower than in the May 2019 Report. The sterling exchange rate is 4% lower than in May. The lower path for market interest rates partly reflects the influence of global factors; interest rate expectations have fallen in the US and euro area as well as the UK. UK asset price developments have also been driven by the growing weight that market participants have placed on the possibility of a no-deal Brexit. In contrast to the MPC’s forecast, which assumes a smooth Brexit, asset prices encompass the full range of potential Brexit outcomes, and the rising perceived likelihood of no deal has contributed to the lower market path for interest rates and the depreciation of the exchange rate, as well as weighing on some risky

asset prices. Taken together, financial and monetary conditions have become more supportive of GDP growth and CPI inflation.”

The MPC’s forecasts of Bank Base Rate in recent Quarterly Inflation Reports are summarised in the following table:-

	End Q.3 2019	End Q.4 2019	End Q.1 2020	End Q.2 2020	End Q.3 2020	End Q.4 2020	End Q.1 2021	End Q.2 2021	End Q.3 2021	End Q.4 2021	End Q.1 2022	End Q.2 2022	End Q.3 2022
Aug. '19	0.7	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6
May '19	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.9	0.9	1.0	1.0	1.0	
Feb.'19	0.8	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.1		
Nov.'18	0.9	1.0	1.1	1.1	1.2	1.2	1.3	1.3	1.4	1.4			
Aug.'18	0.9	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.1				
May '18	1.0	1.0	1.1	1.1	1.2	1.2	1.2	1.2					
Feb.'18	0.9	1.0	1.0	1.1	1.1	1.1	1.2						
Nov.'17	0.8	0.9	0.9	0.9	1.0	1.0							
Aug.'17	0.6	0.7	0.7	0.7	0.8								
May '17	0.4	0.5	0.5	0.5									
Feb'17	0.6	0.6	0.7										
Nov.'16	0.4	0.4											
Aug.'16	0.2												

Source: Bank of England Inflation Reports

In order to maintain price stability, the Government has set the Bank’s Monetary Policy Committee (MPC) a target for the annual inflation rate of the Consumer Prices Index of 2%. Subject to that, the MPC is also required to support the Government’s economic policy, including its objectives for growth and employment.

The MPC’s projections are underpinned by three key judgements :-

1. while global activity has weakened and sentiment has deteriorated, looser financial conditions support the return of world growth to its potential rate in the medium term
2. on the conditioning assumption that there is a smooth Brexit, UK demand growth recovers after softening in the near term
3. as GDP growth recovers to above the subdued rate of potential supply growth, excess demand and domestic inflationary pressures build

Capital Budget Monitoring - August 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Capital	6,290,254	7,430,759	(1,140,505)	35,400,820	35,195,380	(205,440)
Corporate Services	900,378	1,087,350	(186,972)	9,968,690	9,968,690	0
<u>Customer, Policy and Improvement</u>	0	0	0	622,660	622,660	0
Customer Contact Programme	0	0	0	622,660	622,660	0
<u>Facilities Management Total</u>	342,121	393,350	(51,229)	1,780,420	1,780,420	0
Works to other buildings	165,101	161,890	3,211	941,320	749,319	(192,001)
Civic Centre	177,020	186,460	(9,440)	572,660	744,770	172,110
Invest to Save schemes	0	45,000	(45,000)	266,440	266,440	0
Water Safety Works	0	0	0	0	16,921	16,921
Asbestos Safety Works	0	0	0	0	2,970	2,970
<u>Infrastructure & Transactions</u>	540,971	694,000	(153,029)	3,616,180	3,616,180	0
Business Systems	1,125	60,000	(58,875)	636,860	636,860	0
Social Care IT System	65,960	0	65,960	425,240	425,240	0
Planned Replacement Programme	473,886	634,000	(160,114)	2,554,080	2,554,080	0
<u>Resources</u>	17,285	0	17,285	24,970	24,970	0
Financial System	16,257	0	16,257	24,970	24,970	0
<u>Corporate Items</u>	0	0	0	460,000	460,000	0
Westminster Ccl Coroners Court	0	0	0	460,000	460,000	0
Housing Company	0	0	0	3,464,460	3,464,460	0
Community and Housing	353,898	280,000	73,898	1,196,240	996,240	(200,000)
<u>Adult Social Care</u>	0	0	0	43,750	43,750	0
Telehealth	0	0	0	43,750	43,750	0
<u>Housing</u>	316,096	230,000	86,096	827,160	827,160	0
Disabled Facilities Grant	316,096	230,000	86,096	827,160	827,160	0
<u>Libraries</u>	37,802	50,000	(12,198)	325,330	125,330	(200,000)
Library Enhancement Works	593	40,000	(39,407)	248,700	48,700	(200,000)
Libraries IT	37,209	10,000	27,209	76,630	76,630	0

Capital Budget Monitoring - August 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Children Schools & Families	3,481,643	3,796,750	(315,107)	9,522,450	9,522,010	(440)
Primary Schools	283,937	353,000	(69,063)	1,729,290	1,729,290	0
Hollymount	0	0	0	16,240	16,240	0
West Wimbledon	1,791	0	1,791	70,370	70,370	0
Hatfield	35,356	40,000	(4,644)	87,150	87,150	0
Hillcross	0	0	0	232,740	232,740	0
Joseph Hood	0	0	0	41,800	41,800	0
Dundonald	(3,963)	0	(3,963)	31,150	31,150	0
Garfield	396	17,000	(16,604)	92,780	92,780	0
Merton Abbey	300	0	300	23,790	23,790	0
Pelham	26,417	48,000	(21,583)	85,890	85,890	0
Poplar	(4,560)	0	(4,560)	27,070	27,070	0
Wimbledon Chase	54,251	58,000	(3,749)	133,780	133,780	0
Wimbledon Park	0	0	0	1,800	1,800	0
Abbotsbury	26,372	27,000	(628)	71,540	71,540	0
Morden	(2,219)	0	(2,219)	3,970	3,970	0
Bond	52,246	56,000	(3,754)	120,600	120,600	0
Cranmer	0	0	0	56,430	56,430	0
Gorringe Park	0	0	0	10,000	10,000	0
Haslemere	0	0	0	70,840	70,840	0
Liberty	34,003	35,000	(997)	77,300	77,300	0
Links	42,548	47,000	(4,452)	74,480	74,480	0
Singlegate	0	0	0	11,000	11,000	0
St Marks	278	0	278	0	0	0
Lonesome	6,035	10,000	(3,965)	21,300	21,300	0
Sherwood	1,056	0	1,056	54,130	54,130	0
Stanford	(1,768)	0	(1,768)	0	0	0
William Morris	15,396	15,000	396	101,600	101,600	0
Unallocated Primary School Proj	0	0	0	211,540	211,540	0

Please note negative actual spend figures relate to retention and accrued invoices that are still to be paid

Capital Budget Monitoring - August 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
<u>Secondary School</u>	1,030,439	1,135,750	(105,311)	1,831,180	1,831,180	0
Harris Academy Morden	0	0	0	38,560	38,560	0
Harris Academy Merton	1,550	0	1,550	4,570	4,570	0
Raynes Park	0	0	0	67,680	67,680	0
Ricards Lodge	0	0	0	36,690	36,690	0
Rutlish	3,930	85,750	(81,820)	232,970	232,970	0
Harris Academy Wimbledon	1,024,959	1,050,000	(25,041)	1,450,710	1,450,710	0
<u>SEN</u>	2,023,645	2,162,000	(138,355)	5,500,120	5,500,120	0
Perseid	(32,608)	10,000	(42,608)	91,210	91,210	0
Cricket Green	1,948,549	2,015,000	(66,451)	4,138,910	4,138,910	0
Melrose	7,000	7,000	0	107,000	107,000	0
Secondary School Autism Unit	0	0	0	72,000	72,000	0
Unallocated SEN	83,675	110,000	(26,325)	920,000	920,000	0
Melbury College - Smart Centre	17,029	20,000	(2,971)	171,000	171,000	0
<u>CSF Schemes</u>	143,622	146,000	(2,378)	461,860	461,420	(440)
Helping Children at Risk	(1,353)	0	(1,353)	440	0	(440)
School Equipment Loans	0	0	0	108,900	108,900	0
Devolved Formula Capital	144,975	146,000	(1,025)	352,520	352,520	0

Please note negative actual spend figures relate to retention and accrued invoices that are still to be paid

Capital Budget Monitoring - August 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Environment and Regeneration	1,554,336	2,266,659	(712,323)	14,713,440	14,708,440	(5,000)
Public Protection and Developm	37,629	37,500	129	66,800	66,800	0
CCTV Investment	0	7,500	(7,500)	10,340	10,340	0
Public Protection and Developm	37,629	30,000	7,629	56,460	56,460	0
Street Scene & Waste	40,931	46,660	(5,729)	1,146,340	1,141,340	(5,000)
Fleet Vehicles	37,685	37,660	25	337,660	337,660	0
Alley Gating Scheme	3,246	9,000	(5,754)	30,000	25,000	(5,000)
Waste SLWP	0	0	0	778,680	778,680	0
Sustainable Communities	1,475,776	2,182,499	(706,723)	13,500,300	13,500,300	0
Street Trees	0	0	0	60,000	60,000	0
Raynes Park Area Roads	0	0	0	26,110	26,110	0
Highways & Footways	784,447	1,163,490	(379,043)	4,980,030	4,980,030	0
Cycle Route Improvements	81,865	325,990	(244,125)	994,600	994,600	0
Mitcham Transport Improvements	126,291	141,370	(15,079)	986,590	986,590	0
Mitcham Area Regeneration	13,391	208,562	(195,171)	1,369,290	1,369,290	0
Wimbledon Area Regeneration	120,258	90,000	30,258	417,500	417,500	0
Morden Area Regeneration	0	0	0	500,000	500,000	0
Borough Regeneration	88,006	0	88,006	593,150	593,150	0
Morden Leisure Centre	(61,460)	0	(61,460)	596,820	596,820	0
Sports Facilities	230,909	175,000	55,909	1,888,160	1,888,160	0
Parks	92,068	78,087	13,981	1,088,050	1,088,050	0

Please note negative actual spend figures relate to retention and accrued invoices that are still to be paid

Virement, Re-profiling and New Funding - August 2019

Appendix 5b

		2019/20 Budget	Virements	Funding Adjustments	Reprofiling	Revised 2019/20 Budget	2020/21 Budget	Movement	Revised 2020/21 Budget	Narrative
-	-	£	£		£	£	£		£	
Corporate Service	-									
Civic Centre Boilers	(1)	201,480			(201,480)	0	0	201,480	201,480	Scheme slipped to 2020-21
Children, Schools and Families	-									
Cranmer Capital Maintenance		97,430	(41,000)			56,430			0	Virement to reflect final projected outturn
Haslemere Capital Maintenance		85,840	(15,000)			70,840			0	Virement to reflect final projected outturn
Richards Lodge Capital Maintenance		21,690	15,000			36,690			0	Virement to reflect final projected outturn
Melbury College - Smart Centre Capital Maintenance		80,000	41,000			121,000			0	Virement to reflect final projected outturn
Environment and Regeneration										
Cycle Route Imps - TfL Quietways		636,890		(7,780)		629,110			0	TfL Funding Adjustment
Mitcham Transport Imps - Mitcham Town Centre		26,600			43,000	69,600	425,000	(43,000)	382,000	Re-profiled in accordance with project spend
Borough Regeneration - Christmas Lights		95,000			(95,000)	0	0	95,000	95,000	Re-profiled in accordance with project spend
Highways and Footways - Traffic Schemes	(1)	150,000		100,000		250,000	150,000		150,000	New TfL Funding of £100k
Total		1,394,930	0	92,220	(253,480)	1,233,670	575,000	253,480	828,480	

Capital Programme Funding Summary 2019/20

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Capital Programme - July Monitoring	25,360	10,202	35,562
<u>Corporate Services</u>			
Civic Centre Boilers	(201)	0	(201)
<u>Environment and Regeneration</u>			
Cycle Route Imps - TfL Quietways	0	(8)	(8)
Mitcham Transport Imps - Mitcham Town Centre	43	0	43
Borough Regeneration - Christmas Lights	(95)	0	(95)
Highways and Footways - Traffic Schemes	0	100	100
Proposed Capital Programme - August Monitoring	25,106	10,295	35,401

Capital Programme Funding Summary 2020/21

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Capital Programme July Monitoring	36,887	4,171	41,058
<u>Corporate Services</u>			
Civic Centre Boilers	201	0	201
<u>Environment and Regeneration</u>			
Mitcham Transport Imps - Mitcham Town Centre	(43)	0	(43)
Borough Regeneration - Christmas Lights	95	0	95
Proposed July Monitoring	37,140	4,171	41,311

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/underspend? Y/N
Customers, Policy & Improvement											
CS2016 -05	Increase income through translations	15	15	0	G	15	0	G	Sean Cunniffe		
CS2016 -07	Cash Collection Reduction	30	30	0	G	30	0	G	Sean Cunniffe		
2018-19 CS09	Reduction/rationalisation in running costs budgets across multiple budgets	35	35	0	G	35	0	G	Sean Cunniffe		
CS2016 -06	Merton Link - efficiency savings								Sean Cunniffe	Saving has been re-profiled to 20/21 as the efficiencies expected from the customer contact programme have not yet been realised. To offset this, a £30k saving on the Registrars service (2019-20 CS05) planned for 20/21 has been brought forward to 2019/20 (see below).	
2019-20 CS05	Registrars Reduction in staff	30	15	15	A	30	0	G	Sean Cunniffe	Saving brought forward from 20/21 to 19/20 to offset CS2016-06 reprofiled from 19/20 to 20/21. Staff reduction expected mid-year, with the shortfall being met from elsewhere in the division.	Y
Infrastructure & Technology											
CS2016-08	Potential income derived from letting two floors of vacant office space within the Civic Centre to external/partner organisations.	190	190	0	G	190	0	G	Edwin O'Donnell		
2018-19 CS01	Revenue saving associated with current MFD contract	150	150	0	G	150	0	G	Richard Warren		
2018-19 CS02	Reduction in the level of building repairs and maintenance undertaken on the corporate buildings	100	100	0	G	100	0	G	Edwin O'Donnell		
2018-19 CS04	Delete or full cost recovery of one post within FM	36	18	18	A	31	5	A	Edwin O'Donnell	Energy team restructure mid-year is in the process of being implemented. Only a part-year impact in 19/20.	Y
2018-19 CS14	M3 support to Richmond/Wandsworth	20	0	20	A	20	0	A	Clive Cooke	This is dependent on agreement with RSSP, may be at risk if they don't migrate to M3 system.	Y
Corporate Governance											
CSREP 2019-20 (1)	Increase in income from Legal Services relating to S106, property and court fees	50	40	10	A	50	0	G	Fiona Thomsen	Dependent on external demand, full saving may not be achieved in year.	Y
CSREP 2019-20 (6)	Legal services - reduce employment and HR support by 50%	30	30	0	G	30	0	G	Fiona Thomsen		
Resources											
CS2016-02	Restructure of HB section to roll out universal credit	66	66	0	G	66	0	G	David Keppler		
2018-19 CS05	Reduction in permanent staffing	30	0	30	R	0	30	R	Roger Kershaw	Saving will require replacement. For 19/20 the saving will be met by underspends elsewhere within the division.	Y
2018-19 CS10	Reduction in staffing	60	60	0	G	60	0	G	David Keppler		
2018-19 CS08	Increase in income from Enforcement Service	100	100	0	G	100	0	G	David Keppler		
2019-20 CS01	Amend discretionary rate relief policy	75	75	0	G	75	0	G	David Keppler		
CSREP 2019-20 (2)	Reduction in internal insurance fund contribution	250	250	0	G	250	0	G	Nemashe Sivayogan		
CSREP 2019-20 (3)	Increase in income from Enforcement service	50	50	0	G	50	0	G	David Keppler		
Corporate											
2019-20 CS12	Increase in Empty Homes Premium for long term empty properties	97	97	0	G	97	0	G	David Keppler		
CSREP 2019-20 (4)	Increase in investment income	30	30	0	G	30	0	G	Nemashe Sivayogan		
CSREP 2019-20 (5)	CHAS dividend	40	40	0	G	40	0	G	Ian McKinnon		

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/underspend? Y/N
	Total Corporate Services Department Savings for 2019/20	1,484	1,391	93		1,449	35				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2019-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	2019/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	2020/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
SUSTAINABLE COMMUNITIES											
E4	Income from Merantun Development Limited for services provided to the company by LBM	100	95	5	A	100	0	G	James McGinlay		Y
ENV1819-05	Highways advertising income through re-procurement of the advertising contract for the public highway. New contract due to be in place by last quarter of 2019/20.	55	32	23	R	55	0	A	James McGinlay	New contract expected to commence in the final quarter of 2019/20, and we should have a better idea of outcomes when the tenders are reviewed (Sept).	Y
PUBLIC PROTECTION											
ENR1	Further expansion of the shared service.	100	100	0	A	100	0	A	Cathryn James		N
E1	Investigate potential commercial opportunities to generate income from provision of business advice. This follows on from the expansion of the RSP to include Wandsworth from November 2017, and increased resilience.	60	0	60	R	60	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team has been established as part of the Regulatory Services Partnership restructure, which will now look to deliver these savings. However, it is unlikely to be delivered this financial year.	Y
ENR4	Charge local business' for monitoring of their CCTV	100	0	100	R	0	100	R	Cathryn James	Alternative Saving Required.	Y
ENV1819-03	The objective of the proposal is to support the delivery of key strategic council priorities including public health, air quality and sustainable transportation, in addition to managing parking, kerbside demand and congestion. Whilst implementation of the proposals will have the incidental effect of generating additional revenue, it is difficult to assess the level of change in customer behaviour and any subsequent financial impact arising from the changes. This will be monitored after implementation and any resulting impacts will be considered during the future years' budget planning cycles. The above will be subject to the outcome of the consultation process in 2019.	1,900	950	950	R	1900	0	A	Cathryn James	The implementation date for the revised charges is still subject to committee approval. The original savings target was based on an October go live date. It is felt that a more prudent approach to the likely implementation date should be reflected in the savings targets.	Y
ALT2	Reduction of 2fte from the Parking establishment in administrative/processing roles as a result of the impending new permit system	57	57	0	G	57	0	G	Cathryn James		Y
ALT3	Reduction in the number of pay & display machines required.	14	3	11	R	14	0	G	Cathryn James		Y
PUBLIC SPACE											
ENR9	Increase level of Enforcement activities of internal team ensuring the operational service is cost neutral	200	200	0	A	200	0	A	John Bosley		Y
E2	Thermal Treatment of wood waste from HRRC	30	0	30	R	0	30	R	John Bosley	Alternative saving required	Y
EV08	Increased recycling rate by 3% following education and communications activity funded by WCSS. This will be driven by the incentivisation and education programmed due to commence in March 2014.	250	250	0	G	250	0	G	John Bosley		N
ALT4	Environmental Enforcement - Maintain a payment rate of 70% for all FPN issued.	54	54	0	G	54	0	G	John Bosley		Y
E5	Letting of remaining vacant facilities in Greenspaces	50	0	50	R	50	0	A	John Bosley		Y
E6	Increased tenancy income in Greenspaces	40	0	40	R	40	0	R	John Bosley	Alternative saving required	Y
ENR10	Two year extension of the GLL contract	300	300	0	G	300	0	G	John Bosley		N
ENV1819-01	Five year extension of the GLL contract	60	60	0	G	60	0	G	John Bosley		N
Total Environment and Regeneration Savings 2018/19		3,370	2,101	1,269		3,240	130				

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2019/20										12/09/2019	APPENDIX 6
Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Expected Savings £000	Shortfall £000	RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
Adult Social Care											
CH35/36/52	Housing Related Support: -The purpose of the project is to review existing service provision linked to original SP funding, identify gaps and utilise the data to inform a new set of contract specifications to support the re-procurement of services aligned with the Council's Community and Housing strategic priorities. The objective of the project is to deliver successful procurement of contracted services that demonstrate effective outcomes for service users, effective performance management framework and value for money services.	309	306	3	G	309	0	G	Steve Langley	Work to manage the budget has brought delivery close to the target and work is continuing to make up the small shortfall in year	Y
CH39	Extra Care Contracts: -This reduced savings of £57k is targeted on contract efficiencies and non-statutory support hours; eligible social care needs will not be affected. Providers will seek alternative resources to provide this support. Service will ensure that new specification requires providers to seek other support for residents. Impact will be reviewed as part of each service users annual review.	57	57	0	G	57	0	G	John Morgan	Achieved	Y
CH55	Promoting Independence: -The aim of this proposal has been to support people to remain independent and well. To support them to achieve their desired outcomes by enabling them to remain in their own homes, close to their friends, families, support networks and local communities.	553	553	0	G	553	0	G	John Morgan	Achieved	Y
CH70	Home Care: -The aim of this proposal is to maximise the benefit of the new home care contract arrangements. The new arrangements were implemented from February 2018. With a year to get established, it is planned to start to transfer cases with legacy providers who are not on the new contract as either prime or back-up providers. Some of these contracts are at higher hourly rates, so the transfer will generate a saving with no reduction in care. New care providers will be required to use a care visit monitoring system, which should increase the reliability of care.	301	301	0	G	301	0	G	John Morgan	Achieved	Y
CH88	Home Care Monitoring System: -The aim of this proposal is to roll out a home care monitoring system for all home care providers to ensure that we can monitor the delivery of home care visits.	40	40	0	G	40	0	G	John Morgan	Achieved through Forum	Y
CH89	Older People Day Care Activities: -As less people are choosing to attend these formal day centre we currently having increasingly vacancies within these provisions which are not been utilised. The proposal seeks to assess and analyse the demand and supply of activity aimed at supporting older people to access community activity. This will objectively look at the supply of building based and non-building based activity, its utilisation and the limitations on providing what people expect and need within the current model. It is envisaged that this will include a rationalisation and reduction of the current level of building based 'day centre' activity. This is based on current demand statistics and will include consideration of the effect of 2018/19 reductions in contracted day centre services; which is covered in a separate EIA for that specific proposal.	236	118	118	R	236	0	G	Richard Ellis	Engagement with the new owner has established an agreed timeline that means that the majority of savings will not be achieved until the new year. The work is underway to ensure that delivery	Y
Subtotal Adult Social Care		1,496	1,375	121		1,496	0				
Library & Heritage Service											
CH67	Merton Arts Space income	38	38	0	G	38	0	G	Anthony Hopkins	On track	Y
Total C & H Savings for 2019/20		1,534	1,413	121		1,534	0				

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
	Education										
CSF2018-03	Review Early Years : raise income or cease some services in preparation for 2020 where we'd consider withdrawing from direct provision of a childcare offer.	49	49	0	G	49	0	G	Jane McSherry		
CSF2018-04	Review schools trade offer, raise charges or consider ceasing services from 2020.	30	30	0	G	30	0	G	Jane McSherry		
CSF2018-07	Reorganisation of Admissions, My Futures and School Improvement Teams and reduction in contribution to the MSCB (Safeguarding Partnership)	100	100	0	G	100	0	G	Jane McSherry		
CSF2018-11	Reduction of SENDIS early intervention service and reduction in spend associated with the introduction of the web based EHCP Hub	72	72	0	G	72	0	G	Jane McSherry		
	Children Social Care & Youth Inclusion										
CSF2018-01	Reduced costs/offer through the national centralised adoption initiative	30	30	0	G	30	0	G	El Mayhew		
CSF2018-02	Reorganisation of the Children with Disability (CWD), Fostering and Access to Resources (ART) teams and a review of the Common and Shared Assessment (CASA) service.	130	130	0	G	130	0	G	El Mayhew		
CSF2018-05	Delivery of preventative services through the Social Impact Bond	45	45	0	R	45	0	R	El Mayhew	We expect to achieve the savings target as numbers of LAC are stable. The overall service will still overspen however because UASC costs have increased over the past few years and the growth received was not sufficient to offset this pressure. Placements are reviewed on an on-going basis and detailed analysis to back up movement caseloads and placement costs reported to DMT.	Y
CSF2018-06	South London Family Drug and Alcohol Court commissioning	45	45	0	R	45	0	R	El Mayhew	We expect to achieve the savings target as numbers of LAC are stable. The overall service will still overspen however because UASC costs have increased over the past few years and the growth received was not sufficient to offset this pressure. Placements are reviewed on an on-going basis and detailed analysis to back up movement caseloads and placement costs reported to DMT.	Y
CSF2018-12	Further reduction in staffing at Bond Road. This will include a FGC post and a contact worker.	71	71	0	G	71	0	G	El Mayhew		
	Total Children, Schools and Families Department Savings for 2019/20	572	572	0		572	0				

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 18-19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Shortfall	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments
	Infrastructure & transactions									
CS2015-10	FM - Energy invest to save	465	465	R	365	A	0	G	Richard Neal	The capital spend to achieve this was slipped and hence the saving was delayed with £100k expected in 19/20 and the balance in 20/21. In 19/20 the unachieved saving will be met from the Corporate Services reserve.
CSREP 2018-19 (13)	Business Improvement - Business Systems maintenance and support reduction	10	10	R	10	R	10	R	Clive Cooke	Saving to be reviewed during 19/20 to identify if this can be met or if a replacement saving is required.
CSREP 2018-19 (14)	M3 support to Richmond/Wandsworth	20	20	R	20	R	0	A	Clive Cooke	This is dependent on agreement with RSSP, may be at risk if they don't migrate to M3 system.
	Corporate Governance									
CSD43	Share FOI and information governance policy with another Council	10	10	R					Karin Lane	Replacement saving identified. From 19/20 this saving will be replaced by a reduction to the Corporate Governance AD's budget
	Total Corporate Services Department Savings for 2018/19	505	505		395		10			

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2018-19

APPENDIX 7

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Savings Expected £000	Shortfall	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES													
ENV20	D&BC: Increased income from building control services.	35	0	35	R	35	0	G	0	G	James McGinlay	Based on the P5 forecast, the income targets are now being achieved.	N
PUBLIC PROTECTION													
ENV07	Parking: Reduction in supplies & services/third party payment budgets.	60	13	47	R	13	47	R	47	R	Cathryn James	Saving has been reviewed and a part-alternative saving is required.	Y
ENV08	Regulatory Services: Funding of EH FTE by public health subsidy. As agreed between DPH and Head of PP .	40	0	40	R						Cathryn James	Alternative saving has been agreed for 2019/20.	Y
ENV09	Regulatory Services: Investigate potential commercial opportunities to generate income	50	0	50	R	50	0	A	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team has been established as part of the Regulatory Services Partnership restructure, which will now look to deliver these savings.	Y
ENR2	Parking & CCTV: Pay & Display Bays (On and off street)	44	0	44	R	44	0	G	0	G	Cathryn James		Y
ENR3	Parking & CCTV: Increase the cost of existing Town Centre Season Tickets in Morden, Mitcham and Wimbledon.	17	0	17	R	17	0	G	0	G	Cathryn James	Saving is being delayed as it will now form part of the wider discussion on parking charges.	Y
ALT1	Parking: The further development of the emissions based charging policy by way of increased charges applicable to resident/business permits as a means of continuing to tackle the significant and ongoing issue of poor air quality in the borough.	440	390	50	R	440	0	G	0	G	Cathryn James		N
PUBLIC SPACE													
ENV32	Transport: Review of Business Support requirements	30	0	30	R						John Bosley	Alternative saving has been agreed for 2019/20.	Y
ENR6	Waste: Wider Department restructure in Waste Services	200	0	200	R	100	100	R	0	A	John Bosley	This was not delivered in 2018. Review and restructure still outstanding. Scheduled for quarter 3 2019	Y
ENR7	Transport Services: Shared Fleet services function with LB Sutton	10	0	10	R						John Bosley	Alternative saving has been agreed for 2019/20.	Y
Total Environment and Regeneration Savings 2018/19		926	403	523		699	147		47				

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2018/19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall £000	RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
	Adult Social Care										
CH73	A review of management and staffing levels of the AMH team in line with the reductions carried out in the rest of ASC.	100	23	R	100	0	G	0	G	Richard Ellis	Balance deferred to 2019/20
CH36	Single homeless contracts (YMCA, Spear, Grenfell) - Reduce funding for contracts within the Supporting People area which support single homeless people -Reduced support available for single homeless people - both in terms of the numbers we could support and the range of support we could provide. In turn this would reduce their housing options. (CH36)	38	38	R	38	0	G	0	G	Steve Langley	£38k deferred to 2019/20
CH71	Transport: moving commissioned taxis to direct payments. Service users can purchase taxi journeys more cheaply than the council.	50	50	R	50	0	R	0	G	Phil Howell	Deferred to 2020/21.
CH72	Reviewing transport arrangements for in-house units, linking transport more directly to the provision and removing from the transport pool.	100	100	R	100	0	R	0	G	Richard Ellis	£100k deferred to 2020/21. Part of the Transport review
CH74	The implementation of the MOSAIC social care system has identified the scope to improve the identification of service users who should contribute to the costs of their care and assess them sooner, thus increasing client income. Assessed as a 3% improvement less cost of additional staffing	231	231	R	231	0	G	0	G	Richard Ellis	Team resources have increased and this has enabled to team to catch up on reviews and nil payers, which has netted more then £200k in additional income
	Total C & H Savings for 2018/19	519	442		519	0		0			

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES SAVINGS PROGRESS 2018/19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall £000	RAG		2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
	Total Children, Schools and Families Department Savings for 2018/19	489	0			489	0		0				

There were no red savings for CSF

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Shortfall	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
	Business improvement									
CSD42	Restructure functions, delete 1 AD and other elements of management	170	70	R					Sophie Ellis	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
CS2015-	Staffing support savings	13	13	R					Sophie Ellis	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
	Infrastructure & transactions									
CS70	Apply a £3 administration charge to customers requesting a hard copy paper invoice for services administered by Transactional Services team	35	35	R					Pam Lamb	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
	Resources									
CSD26	Delete 1 Business Partner	78	78	R	0	G		G	Caroline Holland	Due to delays in projects this saving was not achieved until 18/19
	Total Corporate Services Department Savings for 2017/18		196		0		0			

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2017-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Achieved £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Shortfall £000	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	Comments	R / A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES													
ER23b	Restructure of team to provide more focus on property management and resilience within the team.	18	0	18	R	0	18	R	18	0	A	Business Case for restructure in progress, but due to the delay it's unlikely to be fully achieved this financial year. Saving being achieved through rents (reported through monthly budget return).	Y
D&BC1	Fast track of householder planning applications	55	0	55	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC2	Growth in PPA and Pre-app income	50	0	50	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC3	Commercialisation of building control	50	0	50	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC4	Deletion of 1 FTE (manager or deputy) within D&BC	45	0	45	R	45	0	G	45	0	G		N
D&BC5	Eliminate the Planning Duty service (both face to face and dedicated phone line) within D&BC	35	0	35	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC6	Stop sending consultation letters on applications and erect site notices only	10	0	10	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV15	Reduction in street lighting energy and maintenance costs. Would require Capital investment of c£400k, which forms part of the current capital programme - Investment in LED lights in lamp Column stock most capable of delivering savings	148	100	48	R	148	0	G	148	0	G		N
ENV20	Increased income from building control services.	35	0	35	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
PUBLIC PROTECTION													
E&R14	Further expansion of the Regulatory shared service.	100	0	100	R	100	0	G	100	0	G		Y
ENV02	Review the current CEO structure, shift patterns and hours of operation with the intention of moving toward a two shift arrangement based on 5 days on/2 days off.	190	0	190	R	0	190	R	0	190	R	Alternative saving required	Y
ENV03	Reduction number of CEO team leader posts from 4 to 3	45	0	45	R	0	45	R	0	45	R	Alternative saving required	Y
ENV06	Reduction in transport related budgets	46	0	46	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV09	Investigate potential commercial opportunities to generate income	50	7	43	R	0	50	R	50	0	A		Y
PUBLIC SPACE													
E&R16	joint procurement of waste, street cleansing, winter maintenance and fleet maintenance services (Phase C)	1,500	795	705	R	1,257	243	R	1500	0	A	Actual savings delivered are being monitored closely	N
E&R25	Joint procurement of greenspace services as part 2 of the Phase C SLWP procurement contract with LB Sutton	160	44	116	R	160	0	G	160	0	G		N
ENV12	Loss of head of section/amalgamated with head of Greenspaces	70	0	70	R	0	70	R	0	70	R	Saving has been delayed but in the process of being reviewed but not expected to be achieved until 2020/21.	N
ENV13	Staff savings through the reorganisation of the back office through channel shift from phone and face to face contact.	70	0	70	R	70	0	G	70	0	G		N
ENV18	Increased income from events in parks	100	0	100	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV21	Reduction in the grant to Wandle Valley Parks Trust	6	0	6	R	6	0	G	6	0	G		N
ENV23	Further savings from the phase C procurement of Lot 2.	160	0	160	R	82	78	R	160	0	G		N
ENV25	Department restructure of the waste section	191	0	191	R	191	0	G	191	0	G		Y
Total Environment and Regeneration Savings		3,134	946	2,188		2,059	694		2,448	305			

Updated 18/09/19

APPENDIX 8

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2017/18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Shortfall £000	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend ? Y/N
	<u>Adult Social Care</u>										
	Total C & H Savings for 2017/18									No Reds	

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Expected Shortfall £000	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CSF2012-07	Children Social Care Family and Adolescent Services Stream - Transforming Families (TF), Youth Offending Team (YOT) and in Education, Training and Employment (ETE). 2016/17 savings will be achieved by the closure of Insight and deletion of YJ management post.	100	7	R	0	G	0	G	Paul Angeli	The ETE saving was delivered from July 2017 and the short for the first quarter covered through reduced grant-funding for targeted intervention services.	N
	Total Children, Schools and Families Department Savings for 2017/18		7		0		0				

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